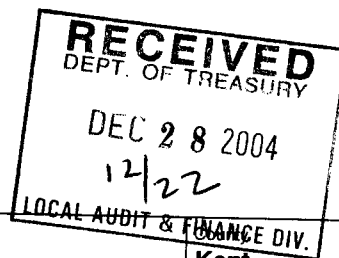


Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.



Local Government Type <input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name City of Wyoming, Michigan	
Audit Date 6/30/04	Opinion Date 10/14/04	Date Accountant Report Submitted to State: 12/23/04	
		Kent	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).		✓	

Certified Public Accountant (Firm Name) BDO Seidman, LLP			
Street Address 99 Monroe Ave, NW Suite 800		City Grand Rapids	State MI
Accountant Signature <i>Quinn A. Duperron</i>		ZIP 49503-2654	
		Date 12-23-04	



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED

June 30, 2004

Douglas L. Hoekstra, Jr.
Mayor

Carol S. Sheets
Mayor Pro-Tem
Councilmember-at-Large

William A. VerHulst
1st Ward Councilmember

Jack A. Poll
Councilmember-at-Large

Richard K. Pastoor
2nd Ward Councilmember

Kevin Green
Councilmember-at-Large

Dawn E. Wichmann
3rd Ward Councilmember

Curtis L. Holt
City Manager

**Prepared By:
Finance Department**

Timothy H. Smith, CPA
Finance Director

CITY OF WYOMING, MICHIGAN
Comprehensive Annual Financial Report
Year ended June 30, 2004
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Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Wyoming,
Michigan

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

A Certificate of Achievement for Excellence in Financial
Reporting is presented by the Government Finance Officers
Association of the United States and Canada to
government units and public employee retirement
systems whose comprehensive annual financial
reports (CAFRs) achieve the highest
standards in government accounting
and financial reporting.



Edward Haney

President

Jeffrey R. Emen

Executive Director



MAYOR
Douglas L. Hoekstra, Jr.

COUNCILMEMBER-AT-LARGE
Carol S. Sheets

COUNCILMEMBER-AT-LARGE
Jack A. Poll

COUNCILMEMBER-AT-LARGE
Kevin J. Green

COUNCILMEMBER 1ST WARD
William Ver Hulst

COUNCILMEMBER 2ND WARD
Richard K. Pastoor

COUNCILMEMBER 3RD WARD
Dawn E. Wichmann

CITY MANAGER
Curtis Holt

December 4, 2004

To the Honorable Mayor, Members of City Council, and
the Citizens of the City of Wyoming, Michigan

The City Charter and the Michigan Uniform Budgeting and Accounting Act require the financial statements be examined by a firm of independent certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Wyoming (the City) for the fiscal year ended June 30, 2004.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and fairness of presentation of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to (1) safeguard the City's assets from loss, theft or misuse and (2) compile reliable financial information for the preparation of the City of Wyoming's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Wyoming's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Wyoming's financial statements have been audited by BDO Seidman, LLP, an independent firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Wyoming are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Wyoming's financial statements for the fiscal year ended June 30, 2004, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Wyoming was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair

presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, findings and questioned costs, and auditors' report on internal controls and compliance with applicable laws and regulations is published in a separate document. The financial activity related to the single audit requirements, such as Nutrition Programs, Senior Transportation Program, and the Community Development Block Grant is included in this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Wyoming's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Wyoming is located in Kent County in the western part of Michigan's lower peninsula, encompasses an area of approximately 25 square miles and, with a 2000 census population of 69,368, is the sixteenth largest City in Michigan. The City is governed by an elected City Council consisting of 3 members elected at large, 3 members elected by district and an elected mayor. The City manager, appointed by the City Council, is responsible for the day-to-day operations of the City.

The City provides a wide range of services to City residents. Water and sewer services are sold retail to City residents and business and wholesale to various surrounding governmental units resulting in total water consumption of 7.52 billion gallons during the fiscal year.

The annual budget serves as the foundation of the City's financial planning and control. All departments of the City are required to submit requests for appropriations to the Manager/Finance Director. These requests form the basis for the development of a proposed budget. The Manager/Finance Director will present to the Council a recommended budget in May at which time a public hearing date will be set. A presentation will be made at a public hearing and the budget will be adopted at the subsequent Council meeting. The budget is appropriated at the departmental level. The budget is prepared at the fund, department, activity, and line item level. Department directors may request transfers within fund appropriations under their administrative control. Transfers of appropriations between departments or funds require approval of the Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The General Fund can be found on page 60 as part of the required supplementary information for the governmental funds. For governmental funds other than the general fund, this comparison can be found on pages 64 to 67 and pages 80 to 95.

Blended Component Unit

The City has one blended component unit, the Building Authority, a separate legal entity, that uses the proceeds of its tax-exempt bonds to finance the construction of general fixed assets for the City. The bonds are secured by a lease agreement with the City and will be retired through lease payments from the City.

Discretely Presented Component Units

The City has five legally separate component units. These units are discretely presented as the governing bodies of the component units are not substantially the same as that of the City.

- The Economic Development Corporation (EDC) provides advice to City officials regarding economic development activity.
- The Brownfield Redevelopment Authority is responsible for providing incentive for the redevelopment of contaminated property.
- The Wyoming Downtown Development Authority is responsible for correcting blight in their area and enhancing economic growth.
- The Wyoming Housing Commission provides housing assistance to low and moderate income families.
- The District Court of Wyoming accounts for the collection and payment to the State of Michigan, Kent County, and the City of Wyoming, of fines and fees collected on their behalf. Bond and other trust money held by the Court are also accounted for. Fines and fees collected that remain at the local level, along with actual Court operations, are accounted for in the City's General Fund.

Financial Condition Factors

Local Economy

The manufacturing sector is strong in furniture, automotive and food processing. The service area, including financial, educational, medical and retailing, provides a positive impact on the economy. Business and industrial growth within the City of Wyoming continued at a slow pace during the fiscal year. It is anticipated with the completion of the South Beltline freeway in the fall of 2005, industrial and commercial growth will occur in the southern portion of the City. Residential growth also continues in the southwest sector of the City and will be further enhanced by the addition of a hospital and medical complex near the South Beltline freeway.

The City continues to actively improve infrastructure that supports its citizens. The City has invested in developing new software that will be used to track the condition of streets, sidewalks and the sewer and water systems. Studies are underway to help develop plans to expand water and wastewater facilities to meet business, industrial and residential growth within its service area.

The City continues to face challenges of providing services to its citizens with shrinking revenue sources. The State of Michigan continues to face revenue shortfalls that are passed on to local units through decreases in statutory revenue sharing. Property tax revenue growth has been held in check through various state-wide voter approved initiatives occurring in the 80's and 90's. Local voters have voted to not increase property tax rates. As a result of these factors and growth in various costs incurred by the City, the City has taken steps to reduce its labor force and consequently services provided to its citizens to ensure that future expenditures do not exceed anticipated revenues.

Cash Management

Available cash during the fiscal year, excluding pension trust funds, was primarily invested in certificates of deposit and instruments of the U.S. Treasury and Governmental Agencies. As of June 30, 2004, the book value of these investments was \$52,802,756. The average yield of

funds invested by City staff for the year ending June 30, 2004 was 3.23 percent compared to 3.26 percent the prior year. The City continues to experience a decline in the earnings rate. This was somewhat mitigated by having amounts invested for a longer period of time.

Risk Management

The risk management activities of the City are primarily the responsibility of Finance and Human Resources Departments. However, each department director has a responsibility for managing the activities of their department in such as way as to preserve the human, physical, natural, and financial resources of the City.

The City has developed an internal financing mechanism to accrue its incurred and incurred-but-not-reported claims not covered by insurance. A Self-Insurance Fund has been established to segregate risk management activities and process the payment claims. An annual allocation of costs including self-funded loss payment, insurance premiums and administrative costs are charged back to all departments using the appropriate statistic.

The City has been operating successfully for over sixteen years in providing general liability, property insurance, vehicle insurance, and workers' compensation insurance programs through the Insurance Fund. The City has purchased liability coverage for claims in excess of \$500,000 from a private carrier. Beginning in fiscal year 1997-1998, the City also began to self-fund its health insurance plan with a current excess coverage of \$100,000 per claim. The Insurance Fund experienced an operating gain of \$1,361,263, which includes investment earnings. Like the general business sector, the City incurred higher than anticipated expenditures for health care, including cases that reached our excess coverage.

Settlement of claims greater than \$10,000 requires the prior approval of the City Council. Recommendations are made to them from its insurers, claim administrator and legal counsel. The City may settle large claims by making a lump payment or using a structured payment.

Pensions and Post-Retirement Benefits

The City sponsors a single-employer defined benefit pension plan for all of its employees. Each year an independent actuary calculates the percentage of payroll that the City must contribute to the pension plan to ensure that the fund will meet its full obligation to plan participants. As a matter of policy, the City fully funds each year's contribution as determined by the actuary. As of the June 30, 2004 actuarial report the City's accrued assets exceeded its accrued liabilities by \$8,859,000. The employer normal cost for 2004 was \$3,100,141; however, due to over-funding, the computed employer contribution was \$3,267,506. Contributions to the pension were exceeded by benefits paid out during 2003-2004, the sixth time this has happened. Benefit payments have increased as the number of retirees has also increased.

The City also provides post-retirement health care benefits for retirees and their dependents. As of the end of the current fiscal year, there were 244 retired employees receiving these benefits, which are financed based on actuarial computation. GAAP does not require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits at this time. However, as required by Governmental Accounting Standards Board Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, the City will have to provide information relative to funding progress of post-retirement health care benefits for retirees and their dependents. Based upon

current rates which do not mirror GASB requirements, the unfunded actuarial accrued liability is in excess of \$25 million.

Additional information on the City's pension arrangements and post-employment benefits can be found in Note H in the notes to basic financial statements.

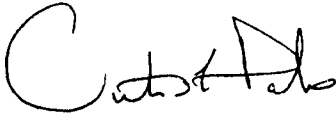
Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the year ended June 30, 2003. This was the fifteenth year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We should like to express our appreciation to all the employees of the City who assisted and contributed to its preparation.

Respectfully submitted,



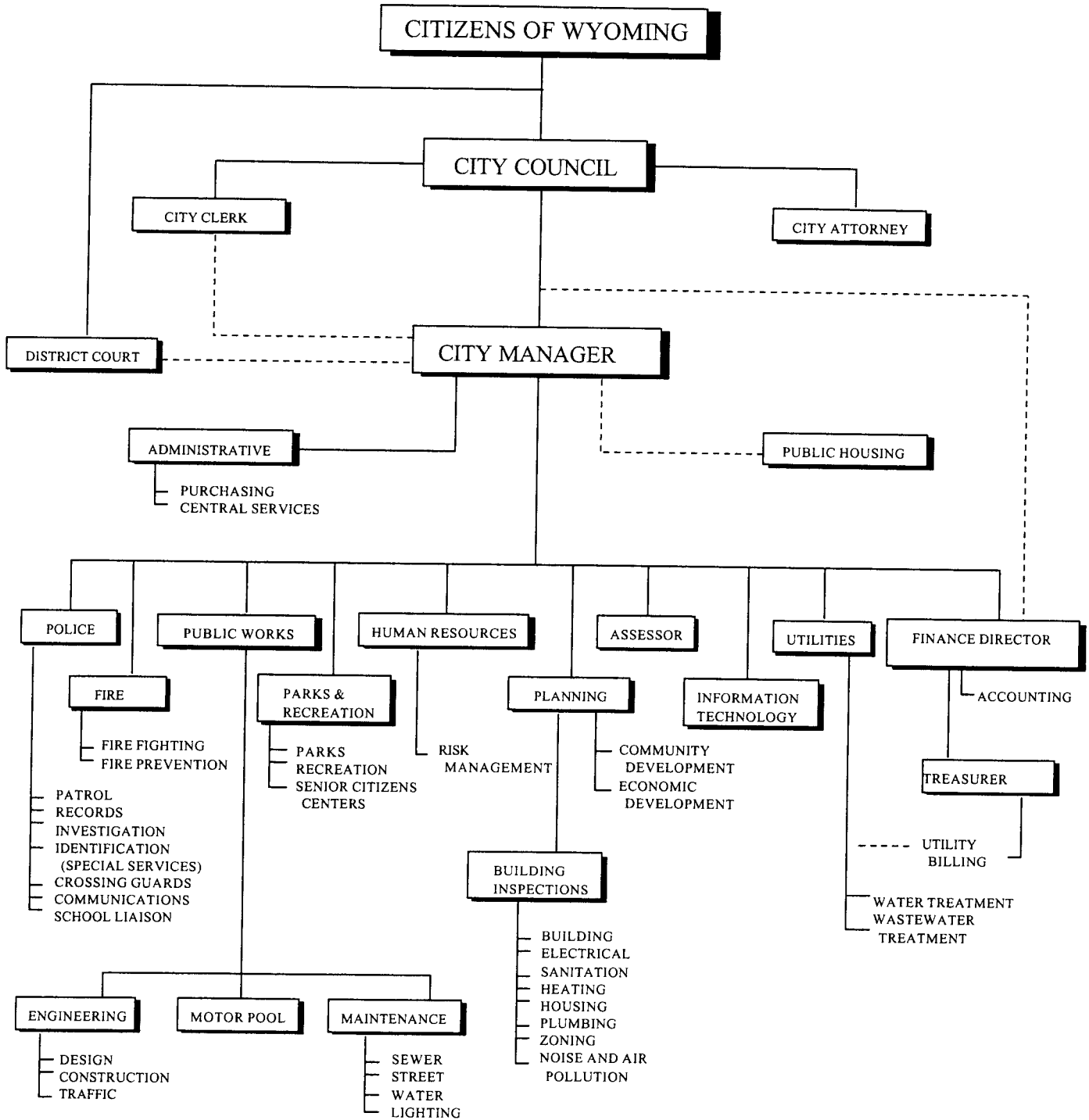
Curtis L. Holt
City Manager



Timothy H. Smith, CPA
Finance Director

CITY OF WYOMING

TABLE OF ORGANIZATION





BDO Seidman, LLP
Accountants and Consultants

99 Monroe Avenue NW, Suite 800
Grand Rapids, Michigan 49503-2654
Telephone: (616) 774-7000
Fax: (616) 776-3680

Independent Auditors' Report

Honorable Mayor and Members of the City Council
City of Wyoming
Wyoming, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Wyoming, Michigan (the City) as of and for the year ended June 30, 2004 (March 31, 2004 for the Wyoming Housing Commission), which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the City. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information at June 30, 2004 (March 31, 2004 for the Wyoming Housing Commission), and the respective changes in financial position and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 14, 2004, on our consideration of the City of Wyoming's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in

accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the budgeting comparison information on pages 60-67 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, other supplementary information and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Wyoming. The combining and individual nonmajor fund financial statements and other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

BDO Seidman, LLP

Grand Rapids, Michigan
October 14, 2004

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Wyoming's (the "City") discussion and analysis is designed to (a) assist the reader in focusing on the significant financial issues, (b) provide an overview of the financial activities for the fiscal year ended June 30, 2004, (c) identify changes in the City's financial position (its ability to address the next year and subsequent year challenges), (d) identify any material deviations from the approved budget, and (e) identify individual fund issues or concerns. Since the management's discussion and analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and known facts, readers are encouraged to consider the information presented here in conjunction with the transmittal letter at the front of this report and with the City's financial statements, which follow this section.

Financial Highlights

- Assets of the City exceeded its liabilities at the end of the fiscal year by \$221,645,611 (net assets), an increase of \$7,056,791 from the previous year. Component units reported net assets of \$4,584,429, an increase of \$190,637 from the previous year.
- Of the \$221 million reported in net assets, \$45,998,768 may be used to meet the ongoing obligations to citizens and creditors (unrestricted net assets) of the respective fund where the funds were earned.
- At the end of the fiscal year, the City's governmental funds reported combined ending fund balance of \$16,437,345, a decrease of \$817,971 from the previous year. Of this fund balance, approximately 94 percent (\$15,527,299) is available for spending at the government's discretion (unreserved fund balance) for purposes of the respective fund where the funds were earned.
- At the end of the current fiscal year, the unreserved undesignated fund balance for the General Fund was \$2,036,075 or 7% of the total General Fund expenditures.
- At the end of the current fiscal year, the unreserved designated for subsequent fiscal year fund balance for the General Fund was \$2,838,000 or 58% of the General Fund unreserved fund balance.
- The enterprise funds reported net assets at June 30 of \$122,989,930, an increase of \$6,905,147 from the previous year.
- The City's total debt, excluding compensated absences and workers compensation claims, during the fiscal year decreased to \$72,649,508, a decrease of \$2,797,282 (or 3.7%), which represents the difference between new issues of \$2,155,000 and payments of outstanding debt of \$4,952,282.

Overview of the Financial Statements

This discussion and analysis is an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The financial statement's focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow users to address relevant questions, broaden a basis for comparison (interperiod or intergovernmental) and enhance the City's accountability. This report also contains supplementary information in addition to the basic financial statements which further explains and supports the information presented in these statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances. The Statement of Net Assets and the Statement of Activities are designed to be corporate-like in that all the governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. These statements should help the reader to answer the question: Is the City, as a whole, better off or worse off as a result of this year's activities. These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting. The current year's revenues and expenses are recognized regardless of when cash is received or paid.

The focus of the Statement of Net Assets is designed to be similar to the bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and

CITY OF WYOMING, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

long-term obligations (total economic resources). This statement presents all of the City's assets and liabilities, with the difference between the two reported as "net assets." Over time, increases and decreases in net assets may indicate whether the City's financial position is improving or deteriorating. However, in order to assess the overall health of the City, non-financial factors such as the City's property tax base and condition of the City's infrastructure may also need to be considered.

The Statement of Activities is focused on both the gross and net cost of the various activities (governmental, business-type, and component unit) which are supported by the City's general tax and other revenues. This presentation is intended to summarize and simplify the user's analysis of the cost of the various governmental services and/or the subsidy to various business-type activities and/or component units. This statement shows how the City's net assets changed during the fiscal year. All changes in net assets are reported when the underlying events occur, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both statements report three activities:

1. *Governmental Activities:* Most of the City's basic services (i.e., police, fire, public works, parks, etc.) are reported under this category. Taxes and intergovernmental revenues generally fund these services. The City's governmental activities include legislative, judicial, general government, public safety, public works, health and welfare, and recreation and culture.
2. *Business-type Activities:* The City charges fees to customers to help cover all or most of the cost of certain services it provides. The City operates two business-type activities that reflect private sector type operations: Water and Sewer services.
3. *Discretely Presented Component Units:* Component units are legally separate organizations over which the City (the City Council, acting as a group) can exercise influence and/or for which the City is financially accountable. The City has five component units: the Economic Development Corporation, the Brownfield Redevelopment Authority, the Wyoming Downtown Development Authority, the 62A District Court (collections remitted to other jurisdictions and trust activity), and the Wyoming Housing Commission. Financial information for these component units is presented separately from that of the primary government. The focus of the statements is clearly on the primary government; however, the presentation allows the user to address the relative relationship with the component units.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. These statements provide more detailed information about the City's most significant funds (Major Funds), not the City as a whole. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the City uses to maintain control over resources that have been segregated for specific activities or objectives. In addition to major funds, the City presents individual fund data for nonmajor funds in the supplementary information section. All of the funds of the City can be divided into three categories: governmental, proprietary, and fiduciary. Each category uses different accounting approaches.

Governmental Funds:

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental fund statements are presented on a modified accrual basis, which focuses on the near-term sources and uses of available resources. This is the manner in which the budget is typically developed. The City establishes funds for various purposes; and the Fund Financial Statements allow the demonstration of sources and uses

CITY OF WYOMING, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

and/or budgetary compliance associated therewith. Governmental funds include the general fund, special revenue funds, capital project funds, and debt service funds.

The focus of governmental funds (current financial resources) is narrower than that of the government-wide financial statements (total economic resources). Therefore, the reader may better understand the long-term impact of the City's near-term financing decisions by comparing information presented for governmental funds with the information presented for the governmental activities in the government-wide financial statements. Both the governmental funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison.

Proprietary Funds:

Proprietary funds are used to account for services provided by the City where the City charges customers (whether external or internal) for the services it provides. These funds use accrual accounting; the same method used by private sector businesses. The City maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer services. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its Motor Pool and Insurance programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds:

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. While these funds represent trust responsibilities of the City, these assets are restricted in purpose and do not represent discretionary assets of the City. Therefore, these assets are not reflected in the government-wide financial statements. The City acts as a trustee or fiduciary for its employee pension plan. It is a trustee/agent for the other governmental units for which it collects tax payments. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. These funds are reported using accrual accounting.

Financial Analysis of the Government as a Whole

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the City's case, assets exceeded its liabilities at the end of the fiscal year by \$221,645,611. However, an overwhelming portion of the City's net assets (73 percent) represents its investment in capital assets (e.g., land, roads, storm sewers, water and sewer systems, buildings, and equipment) less any related debt used to acquire or construct these assets that is still outstanding. The City uses these capital assets to provide essential services to citizens; therefore, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF WYOMING, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

City of Wyoming's Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Current and other assets	\$32,417,864	\$32,394,805	\$41,313,015	\$33,421,276	\$73,730,879	\$65,816,081
Capital assets, net of accumulated depreciation	112,341,345	113,443,393	122,878,185	123,503,820	235,219,530	236,947,213
Total Assets	144,759,209	145,838,198	164,191,200	156,925,096	308,950,409	302,763,294
Long-term liabilities outstanding	40,775,953	43,112,190	38,647,425	39,004,824	79,423,378	82,117,014
Other liabilities	5,316,091	5,084,029	2,565,329	2,081,199	7,881,420	7,165,228
Total Liabilities	46,092,044	48,196,219	41,212,754	41,086,023	87,304,798	89,282,242
Net Assets:						
Invested in capital assets, net of related debt	77,228,778	75,964,817	85,341,244	85,272,530	162,570,022	161,237,347
Restricted	-	17,323	1,844,952	1,564,076	1,844,952	1,581,399
Unrestricted	21,438,387	21,659,839	35,792,250	29,002,467	57,230,637	50,662,306
Total Net Assets	\$98,667,165	\$97,641,979	\$122,978,446	\$115,839,073	\$221,645,611	\$213,481,052

Except for \$13,076,821 restricted for debt service, revenue source and water system development, the City may use the remaining balance of unrestricted net assets of \$45,998,768 (20.8 percent) to meet its ongoing obligations to citizens and creditors; however, the use of the unrestricted net assets is limited by nature of the fund generating the unrestricted fund balance.

Further, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, and for its separate governmental and business-type activities.

City of Wyoming's Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Revenues:						
Program Revenues:						
Charges for services	\$8,355,622	\$6,891,243	\$25,733,785	\$24,221,108	\$34,089,407	\$31,112,351
Operating grants	5,740,407	5,462,585	41,375	73,625	5,781,782	5,536,210
Capital grants	452,769	1,157,255	6,416,665	5,616,252	6,869,434	6,773,507
General Revenues:						
Taxes	21,180,785	21,578,234	-	-	21,180,785	21,578,234
Grants not restricted to specific programs	6,570,912	6,955,495	-	-	6,570,912	6,955,495
Investment earnings	800,650	1,254,889	382,843	879,997	1,183,493	2,134,886
Other		529,791	416	5,438	416	535,229
Total Revenues	43,101,145	43,829,492	32,575,084	30,796,420	75,676,229	74,625,912

CITY OF WYOMING, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Expenses:						
Legislative	\$ 110,340	\$ 118,798	\$ -	\$ -	\$ 110,340	\$ 118,798
Judicial	1,782,648	1,620,770	-	-	1,782,648	1,620,770
General government	5,029,797	4,695,669	-	-	5,029,797	4,695,669
Public safety	20,301,291	20,557,479	-	-	20,301,291	20,557,479
Public works	9,179,668	8,970,283	-	-	9,179,668	8,970,283
Health and welfare	899,123	771,432	-	-	899,123	771,432
Recreation and culture	3,880,950	3,902,388	-	-	3,880,950	3,902,388
Debt service	1,999,910	2,000,217	-	-	1,999,910	2,000,217
Water	-	-	14,682,669	13,442,682	14,682,669	13,442,682
Sewer	-	-	10,753,042	9,928,924	10,753,042	9,928,924
Total Expenses	43,183,727	42,637,036	25,435,711	23,371,606	68,619,438	66,008,642
Increase (Decrease) in Net Assets	(82,582)	1,192,456	7,139,373	7,424,814	7,056,791	8,617,270
Net Assets as Restated, July 1,	98,749,747	96,449,523	115,839,073	108,414,259	214,588,820	204,863,782
Net Assets, June 30,	\$98,667,165	\$97,641,979	\$122,978,446	\$115,839,073	\$221,645,611	\$213,481,052

Governmental Activities:

Governmental activities decreased the City's net assets by \$82,582, thereby accounting for 1.2 percent of the total reduction in the net assets of the City. Key factors of this decrease are as follows:

- Overall revenue decreased \$728,347 reflecting the general state of the economy during the fiscal year.
- Expenditures increased \$546,691 (1%) primarily due to increased costs in Public Works and General Government.

Business-Type Activities:

Business-type activities increased the City's net assets by \$7,139,373, accounting for 101.2 percent of the total growth in the City's net assets. Key factors of this increase are as follows:

- Capital contribution from Ottawa County of \$6,330,600 was received in conjunction with the expansion of the Wyoming Water Treatment Plant.
- Operating revenues increased by 6 percent while operating expenditures increased 9 percent. The larger increase in revenues is attributable to increased capital contribution from Ottawa County.

Financial Analysis of the City's Funds

As the City completed the year, its governmental funds reported combined fund balances of \$16,437,345. Of this total amount, \$15,527,299 (94 percent) was unreserved fund balance, which is available for appropriations for the general purpose of the funds. The remainder of the fund balance is reserved and is not available for new spending because it has already been dedicated for various commitments.

General Fund

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance was \$4,893,694 and reserved fund balance was \$101,876. Total fund balance decreased by \$1,252,272 during the fiscal year, an amount lower than anticipated, primarily as the result of lower

CITY OF WYOMING, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

than budgeted expenditures on public safety and general government services, which related to a hiring freeze implemented in response to reductions in forecasted state revenue sharing.

The differences between the original budget and the final amended budget for revenue and expenditures were relatively minor. However, the differences between final amended budget and the actual amounts were more significant. Revenues received were 3 percent less than budgeted (\$650,544) whereas expenditures were 5 percent less than budgeted (\$1,431,637). The greater reduction in expenditures is attributable to the aforementioned hiring freeze. Consequently, during current fiscal year, the General Fund continued to maintain a fund balance of over 17% of expenditures. However, as further discussed under Economic Condition and Outlook, to meet the challenges of the future, the City has reserved \$2,838,000 or 57% of this fund balance for the purpose of balancing the Fiscal 2004-2005 budget and at the same time is in the process of reducing services and staffing so that future budgeted expenditures match available revenues.

Capital Assets and Debt Administration

Capital Assets:

The City investment in capital assets for its governmental and business-type activities as of June 30, 2004 amounts to \$235,219,530 (less accumulated depreciation). This investment includes a broad range of capital assets, which are detailed in the table below. The total decrease in the City's net investment in capital assets for the current fiscal year was \$1,727,683 (a 1 percent decrease for governmental activities and a 1 percent decrease for business-type activities.)

**Net Capital Assets at Year End
(in thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Capital assets not depreciated:						
Land	\$ 3,999	\$ 4,124	\$ 2,137	\$ 1,800	\$ 6,136	\$ 5,924
Rights of way	9,355	9,355	-	-	9,355	9,355
Construction in process	3,200	1,192	4,729	13,113	7,929	14,305
Capital assets being depreciated:						
Infrastructure	59,698	60,326	-	-	59,698	60,326
Buildings	27,797	29,054	16,512	8,978	44,309	38,032
Improvements other than buildings	1,249	1,397	93,854	93,361	95,103	94,758
Equipment	2,591	3,326	5,643	6,252	8,234	9,578
Vehicles	4,451	4,669	4	-	4,455	4,669
Net capital assets	<u>\$ 112,340</u>	<u>\$ 113,443</u>	<u>\$ 122,879</u>	<u>\$ 123,504</u>	<u>\$ 235,219</u>	<u>\$ 236,947</u>

This year's major capital events included the following:

- Construction was completed on a portion of the expansion of the Wyoming Water Treatment Plant on Lake Michigan. Various other projects are in process resulting in construction in progress as of June 30 of \$2,865,286.
- Construction relating to odor control and planning for a joint biosolids facility continued with construction in progress at year-end of \$1,863,958.

CITY OF WYOMING, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

- City streets, street lighting and sewer additions and improvements of \$1,366,373 were capitalized during the fiscal year and \$2,242,118 were included in construction in progress.

Additional information regarding the City's capital assets can be located in Note F of the notes to basic financial statements and in the other supplementary information.

Long-Term Debt:

At the end of the fiscal year, the City had total long-term bonds and notes outstanding of \$72,649,508. Of this amount, \$7,110,008 comprises debt backed by the full faith and credit of the City whereas \$38,185,000 comprises debt backed by the limited full faith and credit of the City. Another \$26,955,000 represents bonds secured solely by specific revenue sources (i.e., revenue bonds). The remaining \$399,500 is secured by the assets purchased with the note proceeds.

Outstanding Debt at Year End

	Governmental Activities	Business-Type Activities	Total Primary Government
General obligation bonds (backed by the City)	\$ 34,713,067	\$ 926,941	\$ 35,640,008
Revenue bonds (backed by specific fee revenue)	-	26,955,000	26,955,000
Contracts with other municipality (backed by the City)	-	9,655,000	9,655,000
Municipal purchase agreements (backed by specific capital assets)	399,500	-	399,500
Total	<u>\$ 35,112,567</u>	<u>\$ 37,536,941</u>	<u>\$ 72,649,508</u>

During fiscal year 2003-2004, the City issued general obligation debt totaling \$570,000 to fund street, sidewalk and other street improvement related projects. The City also issued revenue bonds of \$1,585,000 to finance the expansion and improvements at the Wyoming Water Treatment Plant and Wyoming Wastewater Treatment Plant.

The City maintains a "AA" rating from Standard & Poor's and "Aaa" from Moody's for its transportation general obligation debt. The special assessment general obligation debt carries rating of "A+" and "A3" from Standard & Poor's and Moody's, respectively. The revenue bonds for the Wyoming Water Supply and Sewer Disposal Systems have an "A" from Standard & Poor's and "Aaa" from Moody's.

State statutes limit the amount of general obligation debt the City can issue to 10 percent of its total state equalized assessed value of property. The City's total general obligation debt of \$45,295,008 is significantly lower than the current state-imposed limit of \$224,560,769.

Other long-term obligations totaling \$6,773,870 represent accrued compensated absences and workers compensation claims. Additional information is presented in Note G to the basic financial statements.

Economic Condition and Outlook

The downturn in the U.S. economy that began in the first quarter of 2001 had a similar impact on the State of Michigan (the State) and the local economy. Although the City's tax revenues are primarily derived from property taxes, the revenue sharing we receive from the State is derived from sales and income taxes. Therefore, the declining revenues of the State have meant reductions of revenue shared

CITY OF WYOMING, MICHIGAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

with the City. During fiscal year 2004, the City imposed a capital purchase freeze and hiring freeze to deal with these reductions in revenue. The forecasted reductions were considered in preparing the City's budget for fiscal year 2004-2005.

During the current fiscal year, unreserved fund balance in the General Fund decreased to \$4,893,694 (a decrease of \$1,165,852). While revenues during fiscal year 2004-2005 are anticipated to decrease by only 2.3 percent, budgeted expenditures for the General Fund are expected to rise nearly 4.5 percent to approximately \$29,693,000 from actual 2004 expenditures. The largest increments are increases in wages and health insurance costs. In light of the differential in growth between revenue and expenditures, the City has appropriated \$2,838,000 of the unreserved fund balance for spending in the 2005 fiscal year budget. This appropriation of available fund balance allows the City to adopt a balanced budget and eliminates the need to raise taxes or charges above the current recommended levels during the 2005 fiscal year. If these estimates are realized, the City will still maintain an unreserved fund balance of \$2,057,295 or 7 percent of General Fund expenditures. During the past several years, concerns regarding future revenue growth as a result of continued State fiscal conditions and limited property tax revenue growth as a result of voter approved limitations during the 1980's and 1990's along with continued expenditure growth has been a catalyst for the City to examine services offered. Future expenditure growth will be limited to available revenue thus requiring reduced service levels.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances for its citizens, customers, investors, and creditors and to demonstrate the City's accountability for the money it receives. Questions regarding any information provided in this report or requests for additional financial information should be addressed to the following:

Finance Director
City of Wyoming
1155 28th Street SW
P.O. Box 905
Wyoming, MI 49509-0905

Government-Wide Financial Statements

CITY OF WYOMING, MICHIGAN
STATEMENT OF NET ASSETS
June 30, 2004

	Primary Government				Totals
	Governmental Activities	Business-Type Activities	Total	Component Units	Reporting Entity
<u>Assets</u>					
Cash and cash equivalents (Note D)	\$ 2,776,976	\$ 1,500,023	\$ 4,276,999	\$ 1,045,444	\$ 5,322,443
Investments (Note D)	21,855,476	13,826,158	35,681,634	62,780	35,744,414
Receivables (net of allowances for uncollectibles):					
Accounts	51,957	3,417,452	3,469,409	12,602	3,482,011
Accrued interest	197,719	125,079	322,798	-	322,798
Taxes	224,601	-	224,601	-	224,601
Special assessments	2,250,990	-	2,250,990	-	2,250,990
Internal balances	11,484	(11,484)	-	-	-
Due from component units (Note E)	50,207	-	50,207	-	50,207
Due from other governmental units	2,139,334	9,068,741	11,208,075	35,000	11,243,075
Loans	1,325,258	-	1,325,258	-	1,325,258
Inventories	196,202	146,808	343,010	450	343,460
Prepaid items	205,141	-	205,141	13,985	219,126
Deposits in other funds	(747,793)	747,793	-	-	-
Restricted assets:					
Cash and cash equivalents (Note D)	139,036	1,116,698	1,255,734	2,331	1,258,065
Investments (Note D)	1,281,533	10,292,945	11,574,478	-	11,574,478
Accrued interest receivable	11,592	93,116	104,708	-	104,708
Investments held for bond redemption (Note D)	-	6,566	6,566	-	6,566
Replacement reserve	-	385	385	-	385
Capital assets (Note F):					
Capital assets not being depreciated	16,553,988	6,866,017	23,420,005	654,672	24,074,677
Capital assets being depreciated	157,604,836	189,050,062	346,654,898	7,849,046	354,503,944
Less accumulated depreciation	(61,817,479)	(73,037,894)	(134,855,373)	(4,147,323)	(139,002,696)
Other assets	448,151	982,735	1,430,886	-	1,430,886
Total assets	144,759,209	164,191,200	308,950,409	5,528,987	314,479,396
<u>Liabilities</u>					
Accounts payable	3,064,782	1,918,750	4,983,532	34,268	5,017,800
Accrued liabilities	1,266,357	208,700	1,475,057	26,820	1,501,877
Due to other governmental units	660,725	-	660,725	461,036	1,121,761
Due to primary government (Note E)	-	-	-	83,239	83,239
Deposits	114,542	437,879	552,421	42,020	594,441
Deferred revenue	209,685	-	209,685	3,925	213,610
Noncurrent liabilities (Note G):					
Due within one year	3,952,671	2,316,627	6,269,298	41,315	6,310,613
Due in more than one year	36,823,282	36,330,798	73,154,080	251,935	73,406,015
Total liabilities	46,092,044	41,212,754	87,304,798	944,558	88,249,356

	Primary Government			Component Units	Totals Reporting Entity
	Governmental Activities	Business-type Activities	Total		
<u>Net Assets</u>					
Invested in capital assets, net of related debt	\$ 77,228,778	\$ 85,341,244	\$ 162,570,022	\$ 4,305,735	\$ 166,875,757
Restricted for:					
Debt service	-	1,744,952	1,744,952	-	1,744,952
Public safety	214,629	-	214,629	-	214,629
Public works	8,912,543	-	8,912,543	-	8,912,543
Recreation and culture	2,104,697	-	2,104,697	-	2,104,697
Water contracts	-	100,000	100,000	-	100,000
Unrestricted	10,206,518	35,792,250	45,998,768	278,694	46,277,462
Total net assets	\$ 98,667,165	\$ 122,978,446	\$ 221,645,611	\$ 4,584,429	\$ 226,230,040

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
STATEMENT OF ACTIVITIES
Year Ended June 30, 2004

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
Legislative	\$ 110,340	\$ -	\$ -	\$ -
Judicial	1,782,648	1,996,898	101,045	-
General government	5,029,797	3,387,136	4,315	-
Public safety	20,301,291	1,384,103	551,286	-
Public works	9,179,668	982,915	4,849,751	449,269
Health and welfare	899,123	316,673	140,776	-
Recreation and culture	3,880,950	287,897	93,234	3,500
Interest and fiscal agent fees	1,999,910	-	-	-
Total governmental activities	<u>43,183,727</u>	<u>8,355,622</u>	<u>5,740,407</u>	<u>452,769</u>
Business-type activities:				
Water	14,682,669	15,160,838	41,375	6,408,704
Sewer	10,753,042	10,572,947	-	7,961
Total business-type activities	<u>25,435,711</u>	<u>25,733,785</u>	<u>41,375</u>	<u>6,416,665</u>
Total primary government	<u>\$ 68,619,438</u>	<u>\$ 34,089,407</u>	<u>\$ 5,781,782</u>	<u>\$ 6,869,434</u>
Component Units:				
Wyoming Housing Commission	\$ 6,648,376	\$ 461,479	\$ 6,298,880	\$ -
62A District Court	3,571,047	3,571,047	-	-
Wyoming Downtown Development Authority	105,981	12,220	-	-
Economic Development Corporation	20,625	-	-	-
Brownfield Redevelopment Authority	774	-	-	-
Total component units	<u>\$ 10,346,803</u>	<u>\$ 4,044,746</u>	<u>\$ 6,298,880</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property taxes levied for general purposes
Property taxes levied for debt service
Industrial/commercial facilities
Service charges in lieu of taxes
Penalties and interest on delinquent property taxes
Trailer taxes

Grants not restricted to specific programs

Investment earnings

Gain on sale of capital assets

Miscellaneous revenues

Total general revenues

Change in net assets

Net assets, beginning of year, as restated (Note L)

Net assets, end of year

See accompanying notes to basic financial statements.

Net (Expense) Revenue and Changes in Net Assets				
Primary Government				Totals
Governmental Activities	Business-Type Activities	Total	Component Units	Reporting Entity
\$ (110,340)	\$ -	\$ (110,340)	\$ -	\$ (110,340)
315,295	-	315,295	-	315,295
(1,638,346)	-	(1,638,346)	-	(1,638,346)
(18,365,902)	-	(18,365,902)	-	(18,365,902)
(2,897,733)	-	(2,897,733)	-	(2,897,733)
(441,674)	-	(441,674)	-	(441,674)
(3,496,319)	-	(3,496,319)	-	(3,496,319)
(1,999,910)	-	(1,999,910)	-	(1,999,910)
(28,634,929)	-	(28,634,929)	-	(28,634,929)
-	6,928,248	6,928,248	-	6,928,248
-	(172,134)	(172,134)	-	(172,134)
-	6,756,114	6,756,114	-	6,756,114
(28,634,929)	6,756,114	(21,878,815)	-	(21,878,815)
-	-	-	111,983	111,983
-	-	-	-	-
-	-	-	(93,761)	(93,761)
-	-	-	(20,625)	(20,625)
-	-	-	(774)	(774)
-	-	-	(3,177)	(3,177)
19,640,425	-	19,640,425	169,296	19,809,721
763,636	-	763,636	-	763,636
683,961	-	683,961	-	683,961
18,275	-	18,275	-	18,275
71,060	-	71,060	-	71,060
3,428	-	3,428	-	3,428
6,570,912	-	6,570,912	-	6,570,912
800,650	382,843	1,183,493	12,695	1,196,188
-	-	-	1,928	1,928
-	416	416	9,895	10,311
28,552,347	383,259	28,935,606	193,814	29,129,420
(82,582)	7,139,373	7,056,791	190,637	7,247,428
98,749,747	115,839,073	214,588,820	4,393,792	218,982,612
\$ 98,667,165	\$ 122,978,446	\$ 221,645,611	\$ 4,584,429	\$ 226,230,040

Fund Financial Statements

CITY OF WYOMING, MICHIGAN
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2004

	General	Major Street	Local Street	Parks and Recreation
<u>Assets</u>				
Cash and cash equivalents (Note D)	\$ 595,479	\$ 64,629	\$ 126,732	\$ 75,145
Investments (Note D)	5,307,869	595,700	1,168,128	692,630
Receivables (net of allowances for uncollectibles):				
Accounts	20,978	-	-	-
Accrued interest	48,018	5,389	10,568	6,266
Taxes	224,601	-	-	-
Special assessments	-	-	-	-
Due from component units (Note E)	50,207	-	-	-
Due from other governmental units	1,196,104	623,325	195,216	5,040
Loans				
Inventories	265	119,325	39,775	-
Prepays	1,601	-	-	-
Total assets	<u>\$ 7,445,122</u>	<u>\$ 1,408,368</u>	<u>\$ 1,540,419</u>	<u>\$ 779,081</u>
<u>Liabilities and fund balances</u>				
Liabilities:				
Accounts payable	\$ 555,685	\$ 104,453	\$ 223,710	\$ 41,929
Accrued liabilities	962,621	-	-	-
Due to other governmental units	660,699	-	-	-
Deposits	78,574	-	-	1,600
Deferred revenue	191,973	-	-	17,712
Total liabilities	<u>2,449,552</u>	<u>104,453</u>	<u>223,710</u>	<u>61,241</u>
Fund balances:				
Reserved for:				
Encumbrances	100,010	7,380	10,120	363,790
Inventory, prepaid items and loans receivable	1,866	119,325	39,775	-
Unreserved:				
Designated for debt service, reported in:				
Debt Service Funds	-	-	-	-
Designated for departmental cash, reported in:				
General Fund	19,619	-	-	-
Designated for subsequent fiscal year, reported in:				
General Fund	2,838,000	-	-	-
Special Revenue Funds	-	73,670	87,420	24,350
Undesignated, reported in:				
General Fund	2,036,075	-	-	-
Special Revenue Funds	-	1,103,540	1,179,394	329,700
Capital Projects Funds	-	-	-	-
Total fund balances	<u>4,995,570</u>	<u>1,303,915</u>	<u>1,316,709</u>	<u>717,840</u>
Total liabilities and fund balances	<u>\$ 7,445,122</u>	<u>\$ 1,408,368</u>	<u>\$ 1,540,419</u>	<u>\$ 779,081</u>

See accompanying notes to basic financial statements.

Community Development Block Grant	Capital Improvement	Capital Projects Revolving	Other Governmental Funds	Total Governmental Funds
\$ 11,718	\$ 321,731	\$ 312,589	\$ 216,544	\$ 1,724,567
82,818	2,965,489	2,881,224	1,968,309	15,662,167
-	-	569	30,410	51,957
749	26,828	26,065	17,808	141,691
-	-	-	-	224,601
-	-	2,250,990	-	2,250,990
-	-	-	-	50,207
67,583	52,066	-	-	2,139,334
1,097,628	-	227,630	-	1,325,258
-	-	-	-	159,365
-	-	-	-	1,601
<u>\$ 1,260,496</u>	<u>\$ 3,366,114</u>	<u>\$ 5,699,067</u>	<u>\$ 2,233,071</u>	<u>\$ 23,731,738</u>
\$ 162,868	\$ 830,932	\$ -	\$ 77,802	\$ 1,997,379
-	849	-	-	963,470
-	-	-	-	660,699
-	-	-	34,368	114,542
1,097,628	-	2,250,990	-	3,558,303
<u>1,260,496</u>	<u>831,781</u>	<u>2,250,990</u>	<u>112,170</u>	<u>7,294,393</u>
-	-	-	40,150	521,450
-	-	227,630	-	388,596
-	-	-	197,906	197,906
-	-	-	-	19,619
-	-	-	-	2,838,000
-	1,094,040	-	146,590	1,426,070
-	-	-	-	2,036,075
-	-	-	1,736,255	4,348,889
-	1,440,293	3,220,447	-	4,660,740
<u>-</u>	<u>2,534,333</u>	<u>3,448,077</u>	<u>2,120,901</u>	<u>16,437,345</u>
<u>\$ 1,260,496</u>	<u>\$ 3,366,114</u>	<u>\$ 5,699,067</u>	<u>\$ 2,233,071</u>	<u>\$ 23,731,738</u>

CITY OF WYOMING, MICHIGAN
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
June 30, 2004

		Total Governmental Funds
Total fund balances for governmental funds (Refer to page 19)		\$ 16,437,345
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore not reported in the governmental funds. Those assets consist of:		
Capital assets	\$ 158,004,782	
Less: accumulated depreciation	<u>(52,625,888)</u>	
Total capital assets		105,378,894
Internal service funds are used by the City to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service funds net assets are:		
Motor Pool	8,885,534	
Insurance	<u>2,799,474</u>	
Total internal service funds net assets		11,685,008
Some of the City's special assessments and accounts receivable will not be collected soon enough after year-end to be available to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds:		
Special assessments	2,250,990	
Accounts receivable	<u>1,097,628</u>	
Total deferred revenues		3,348,618
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and therefore are not reported in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities--both current and long-term--are reported in the statement of net assets.		
Accrued interest on long-term debt	(301,465)	
Bonds and notes payable	(34,713,067)	
Compensated absences	(3,616,319)	
Bond costs (discounts)	655,126	
Less: accumulated amortization	<u>(206,975)</u>	
Total long-term liabilities		<u>(38,182,700)</u>
Net assets of governmental activities		<u>\$ 98,667,165</u>

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	General	Major Street	Local Street	Parks and Recreation
Revenues:				
Taxes	\$ 9,983,106	\$ -	\$ -	\$ 2,910,406
Licenses and permits	636,360	244,373	35,491	-
Intergovernmental	7,246,011	3,671,708	1,148,659	117,014
Fees and service charges	2,817,722	13,319	8,879	235,323
Fines and forfeitures	1,996,898	-	-	-
Special assessments	-	-	-	-
Building rental	133,984	-	-	1,060
Investment earnings	285,578	10,899	18,485	32,868
Donations	6,515	-	-	13,005
Storm sewer cost share	-	-	-	-
Loan repayments	-	-	-	-
Miscellaneous	61,200	21,511	4,613	11,300
Total revenues	<u>23,167,374</u>	<u>3,961,810</u>	<u>1,216,127</u>	<u>3,320,976</u>
Expenditures:				
Current:				
Legislative	109,478	-	-	-
Judicial	1,767,718	-	-	-
General government	6,208,622	-	-	-
Public safety	19,053,152	-	-	-
Public works	784,437	3,054,581	2,011,646	-
Health and welfare	-	-	-	62,471
Recreation and culture	210,991	-	-	3,007,385
Miscellaneous	153,715	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	125,102	-	-	-
Interest and fiscal agent fees	5,256	-	-	-
Total expenditures	<u>28,418,471</u>	<u>3,054,581</u>	<u>2,011,646</u>	<u>3,069,856</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,251,097)</u>	<u>907,229</u>	<u>(795,519)</u>	<u>251,120</u>
Other financing sources (uses):				
Bonds issued	-	-	-	-
Discount on bonds issued	-	-	-	-
Proceeds from sale of capital assets	49,087	-	-	-
Transfers in	3,972,885	-	887,500	-
Transfers out	(23,147)	(887,500)	-	-
Total other financing sources (uses)	<u>3,998,825</u>	<u>(887,500)</u>	<u>887,500</u>	<u>-</u>
Net change in fund balances	<u>(1,252,272)</u>	<u>19,729</u>	<u>91,981</u>	<u>251,120</u>
FUND BALANCES, beginning of year, as restated (Note L)	<u>6,247,842</u>	<u>1,284,186</u>	<u>1,224,728</u>	<u>466,720</u>
FUND BALANCES, end of year	<u>\$ 4,995,570</u>	<u>\$ 1,303,915</u>	<u>\$ 1,316,709</u>	<u>\$ 717,840</u>

See accompanying notes to basic financial statements.

Community Development Block Grant	Capital Improvement	Capital Projects Revolving	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,624,023	\$ -	\$ 5,505,660	\$ 22,023,195
-	-	-	1,106,698	2,022,922
67,661	124,375	-	-	12,375,428
-	-	-	142,550	3,217,793
-	-	-	70,262	2,067,160
-	-	1,044,020	-	1,044,020
-	-	-	1,625,118	1,760,162
-	80,227	162,707	109,086	699,850
-	-	-	-	19,520
-	301,747	-	-	301,747
148,058	-	-	-	148,058
764,441	120,886	251,630	83,331	1,318,912
<u>980,160</u>	<u>4,251,258</u>	<u>1,458,357</u>	<u>8,642,705</u>	<u>46,998,767</u>
-	-	-	-	109,478
-	-	-	-	1,767,718
-	-	-	-	6,208,622
-	-	-	1,192,693	20,245,845
-	-	-	656,556	6,507,220
845,572	-	-	-	908,043
157,735	-	-	352,965	3,729,076
-	-	-	9,291	163,006
-	3,933,936	-	344,305	4,278,241
-	-	-	2,563,716	2,688,818
-	-	-	1,797,064	1,802,320
<u>1,003,307</u>	<u>3,933,936</u>	<u>-</u>	<u>6,916,590</u>	<u>48,408,387</u>
<u>(23,147)</u>	<u>317,322</u>	<u>1,458,357</u>	<u>1,726,115</u>	<u>(1,409,620)</u>
-	570,000	-	-	570,000
-	(27,438)	-	-	(27,438)
-	-	-	-	49,087
23,147	-	866,058	1,834,035	7,583,625
-	(1,369,487)	(464,548)	(4,838,943)	(7,583,625)
<u>23,147</u>	<u>(826,925)</u>	<u>401,510</u>	<u>(3,004,908)</u>	<u>591,649</u>
-	(509,603)	1,859,867	(1,278,793)	(817,971)
-	3,043,936	1,588,210	3,399,694	17,255,316
<u>\$ -</u>	<u>\$ 2,534,333</u>	<u>\$ 3,448,077</u>	<u>\$ 2,120,901</u>	<u>\$ 16,437,345</u>

CITY OF WYOMING, MICHIGAN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
Year Ended June 30, 2004

		Total Governmental Funds
Net change in fund balances - total governmental funds (Refer to page 23)		\$ (817,971)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for capital assets	\$ 4,012,642	
Less: current year depreciation expense	(4,496,319)	
Net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations)	<u>(127,528)</u>	
Net effect of these differences in the treatment of capital outlays		(611,205)
Internal service funds are used by the City to charge the cost of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. Internal service funds net revenue (expense) are:		
Motor Pool	(328,956)	
Insurance	<u>1,100,442</u>	
Total internal service funds net revenue (expense)		771,486
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Some of the City's special assessments and accounts receivables will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and are therefore reported as deferred revenue in the funds:		
Special assessments	(809,085)	
Accounts receivable	<u>(612,239)</u>	
Total deferred revenues		(1,421,324)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Accrued interest on long term debt	(15,830)	
Compensated absences - net of prior period adjustment	(95,865)	
Debt issued	(570,000)	
Principal payments	2,688,818	
Bond discount	27,438	
Less: current year amortization	<u>(38,129)</u>	
Net effect of these differences in the treatment of long-term debt		1,996,432
Change in net assets of governmental activities		<u>\$ (82,582)</u>

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2004

	Business-Type Activities: Enterprise Funds			Governmental Activities: Internal Service Funds
	Water Fund	Sewer Fund	Total	
<u>Assets</u>				
Current assets:				
Cash and cash equivalents (Note D)	\$ 1,285,583	\$ 214,440	\$ 1,500,023	\$ 1,052,409
Investments (Note D)	11,849,600	1,976,558	13,826,158	6,193,309
Accounts receivable	2,108,527	1,308,925	3,417,452	-
Accrued interest receivable	107,198	17,881	125,079	56,028
Due from other governmental units	8,574,251	494,490	9,068,741	-
Inventory	119,738	27,070	146,808	36,837
Prepaid items	-	-	-	203,540
Total current assets	24,044,897	4,039,364	28,084,261	7,542,123
Long-term assets:				
Deposits in other funds	337,013	410,780	747,793	-
Restricted assets:				
Revenue bond reserve:				
Cash and cash equivalents (Note D)	235,398	881,300	1,116,698	139,036
Investments (Note D)	2,169,738	8,123,207	10,292,945	1,281,533
Accrued interest receivable	19,629	73,487	93,116	11,592
Investments held for bond redemption (Note D)	6,566	-	6,566	-
Replacement reserve:				
Construction reserve receivables	-	385	385	-
Total restricted assets	2,431,331	9,078,379	11,509,710	1,432,161
Capital assets (Note F):				
Property and equipment	115,731,294	80,184,785	195,916,079	16,154,042
Less accumulated depreciation	40,084,891	32,953,003	73,037,894	9,191,591
Net capital assets	75,646,403	47,231,782	122,878,185	6,962,451
Other assets:				
Unrealized loss on bond refunding	126,667	-	126,667	-
Bond issue costs and discounts	626,937	229,131	856,068	-
Total other assets	753,604	229,131	982,735	-
Total long-term assets	79,168,351	56,950,072	136,118,423	8,394,612
Total assets	103,213,248	60,989,436	164,202,684	15,936,735

	Business-Type Activities:			Governmental
	Enterprise Funds			Activities:
	Water	Sewer	Total	Internal Service
	Fund	Fund		Funds
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	\$ 1,049,401	\$ 869,349	\$ 1,918,750	\$ 1,067,403
Accrued interest payable	146,990	61,710	208,700	1,422
Customer deposits	434,756	3,123	437,879	-
Due to other governmental units	-	-	-	26
Current portion (Note G):				
Bonds, notes and contracts payable	1,527,122	648,478	2,175,600	199,750
Compensated absences, workers' compensation and death benefits	81,838	59,189	141,027	263,624
Total current liabilities	3,240,107	1,641,849	4,881,956	1,532,225
Long-term liabilities				
(net of current portion) (Note G):				
Bonds, notes and contracts payable	23,302,237	12,059,104	35,361,341	199,750
Compensated absences, workers' compensation and death benefits	524,092	445,365	969,457	1,783,443
Total long-term liabilities	23,826,329	12,504,469	36,330,798	1,983,193
Total liabilities	27,066,436	14,146,318	41,212,754	3,515,418
<u>Net Assets</u>				
Invested in capital assets, net of related debt	50,817,044	34,524,200	85,341,244	6,562,951
Restricted for:				
Debt service	889,989	854,963	1,744,952	-
Water contracts	100,000	-	100,000	-
Unrestricted	24,339,779	11,463,955	35,803,734	5,858,366
Total net assets	\$ 76,146,812	\$ 46,843,118	122,989,930	\$ 12,421,317
Adjustment to reflect the consolidation of internal service fund activities			(11,484)	
Net assets of business-type activities			\$ 122,978,446	

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
Year Ended June 30, 2004

	Business-Type Activities: Enterprise Funds			Governmental Activities: Internal Service Funds
	Water Fund	Sewer Fund	Total	
Operating revenues:				
Charges for services	\$ 14,384,306	\$ 10,526,143	\$ 24,910,449	\$ 12,725
Equipment rentals	-	-	-	2,794,858
Building rentals	-	-	-	281,040
Premiums	-	-	-	8,736,815
Total operating revenue	14,384,306	10,526,143	24,910,449	11,825,438
Operating expenses:				
Administrative and general	935,394	1,186,954	2,122,348	841,412
Accounting and collection	350,591	-	350,591	-
Pumping and treatment	4,462,549	5,658,433	10,120,982	-
Transmission and distribution	3,408,391	987,956	4,396,347	-
Equipment and building operations	-	-	-	2,065,245
Depreciation	2,171,471	2,400,855	4,572,326	1,201,874
Insurance claims and premiums	-	-	-	6,848,517
Total operating expenses	11,328,396	10,234,198	21,562,594	10,957,048
Operating income (loss)	3,055,910	291,945	3,347,855	868,390
Nonoperating revenues:				
Intergovernmental	41,375	-	41,375	-
Investment earnings	201,470	181,789	383,259	130,184
Property lease income	42,508	7,020	49,528	-
Gain on disposal of capital assets	70,500	-	70,500	147,901
Miscellaneous income	273,570	35,939	309,509	2,868
Total nonoperating revenues	629,423	224,748	854,171	280,953
Nonoperating expenses:				
Interest	1,232,931	604,811	1,837,742	143,631
Ottawa County payment	1,757,975	-	1,757,975	-
Amortization and paying agent	103,241	14,586	117,827	-
Total nonoperating expenses	3,094,147	619,397	3,713,544	143,631
Income (loss) before capital contributions	591,186	(102,704)	488,482	1,005,712
Capital contributions	6,408,704	7,961	6,416,665	2,112
Change in net assets	6,999,890	(94,743)	6,905,147	1,007,824
Net assets, beginning of year	69,146,922	46,937,861		11,413,493
Net assets, end of year	\$ 76,146,812	\$ 46,843,118		\$ 12,421,317

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal services is reported with business-type activities.

	234,226
Change in net assets of business-type activities	<u>\$ 7,139,373</u>

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2004

	Business-Type Activities: Enterprise Funds			Governmental Activities: Internal Service Funds
	Water Fund	Sewer Fund	Total	
Cash flows from operating activities:				
Receipts from customers	\$ 14,676,178	\$ 10,214,037	\$ 24,890,215	\$ 11,825,760
Payment to suppliers	(4,111,497)	(3,016,540)	(7,128,037)	(7,627,796)
Payment to employees	(3,137,785)	(2,323,014)	(5,460,799)	(843,447)
Payments to internal service funds and administrative fees	(2,371,909)	(2,075,954)	(4,447,863)	(970,657)
Other receipts	357,453	42,959	400,412	22,833
Net cash provided by operating activities	5,412,440	2,841,488	8,253,928	2,406,693
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(2,274,317)	(1,672,373)	(3,946,690)	(711,031)
Proceeds from bonds payable	995,000	590,000	1,585,000	-
Principal payments on bonds, notes and contracts payable	(1,421,225)	(595,049)	(2,016,274)	(247,188)
Payment to Ottawa County	(1,757,975)	-	(1,757,975)	-
Interest paid	(1,277,952)	(634,166)	(1,912,118)	(145,216)
Contributed capital	6,408,704	7,961	6,416,665	2,112
Proceeds from sale of capital assets	70,500	-	70,500	147,901
Net cash provided (used) by capital and related financing activities	742,735	(2,303,627)	(1,560,892)	(953,422)
Cash flows from investing activities:				
Investment earnings	142,998	168,005	311,003	112,202
Proceeds of maturing investments	804,077	4,026,247	4,830,324	2,033,380
Purchase of investments	(6,508,610)	(4,688,911)	(11,197,521)	(3,470,265)
Net cash used by investing activities	(5,561,535)	(494,659)	(6,056,194)	(1,324,683)
Net increase in cash and equivalents	593,640	43,202	636,842	128,588
CASH AND EQUIVALENTS, beginning of year	927,341	1,052,538	1,979,879	1,062,857
CASH AND EQUIVALENTS, end of year	<u>\$ 1,520,981</u>	<u>\$ 1,095,740</u>	<u>\$ 2,616,721</u>	<u>\$ 1,191,445</u>
Noncash Investing Activities				
Change in fair value of investments	<u>\$ 5,704,533</u>	<u>\$ 662,664</u>	<u>\$ 122,695</u>	<u>\$ 1,436,885</u>

	Business-Type Activities: Enterprise Funds			Governmental Activities: Internal Service Funds
	Water Fund	Sewer Fund	Total	
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 3,055,910	\$ 291,945	\$ 3,347,855	\$ 868,390
Adjustments to reconcile operating income to net cash from operating activities:				
Depreciation	2,171,471	2,400,855	4,572,326	1,201,874
Property lease income	42,508	7,020	49,528	-
Miscellaneous cash received	273,570	35,939	309,509	2,868
Intergovernmental	41,375	-	41,375	-
Changes in operating assets and liabilities:				
Accounts receivable	63,228	(155,659)	(92,431)	-
Due from other funds	-	-	-	-
Due from other governmental units	(358,280)	(161,047)	(519,327)	322
Inventory	(15,987)	(1,912)	(17,899)	(16,337)
Prepaid items	-	-	-	5,267
Deposits in other funds	(2,015)	(97)	(2,112)	-
Accounts payable	(129,450)	420,844	291,394	410,402
Customer deposits	198,984	852	199,836	-
Compensated absences, death benefits, and worker's compensation	71,126	2,748	73,874	(66,093)
Net cash provided by operating activities	<u>\$ 5,412,440</u>	<u>\$ 2,841,488</u>	<u>\$ 8,253,928</u>	<u>\$ 2,406,693</u>

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

	<u>Agency Fund</u>	<u>Trust Fund</u>
	<u>Tax Collection</u>	<u>Pension</u>
<u>Assets</u>		
Cash and cash equivalents (Note D)	\$ 4,068	\$ 3,661,621
Investments: (Note D)	3,277	-
Certificates of Deposit	-	91,955
U.S. Government obligations	-	11,074,296
Municipal bonds	-	526,590
Domestic corporate bonds	-	31,820,468
Domestic stocks	-	47,384,425
Preferred stocks	-	3,133,166
Foreign stocks	-	2,452,558
Foreign bonds	-	1,256,908
Foreign preferred stocks	-	151,560
Mutual Funds	-	1,334,225
International stock mutual funds	-	11,814,439
Receivables:	-	-
Accrued interest	30	663,427
Unsettled trades	-	419,143
Taxes	1,650,246	-
Total assets	<u>\$ 1,657,621</u>	<u>115,784,781</u>
 <u>Liabilities</u>		
Liability under securities lending (Note K)	\$ -	6,079,985
Accounts payable	-	389,273
Due to other governmental units	1,657,621	-
Total liabilities	<u>\$ 1,657,621</u>	<u>6,469,258</u>
 <u>Net Assets</u>		
Held in trust for pension benefits		<u>\$ 109,315,523</u>

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
Year Ended June 30, 2004

	<u>Pension</u>
Additions:	
Contributions:	
Employer	\$ 3,267,506
Employee	<u>72,743</u>
Total contributions	<u>3,340,249</u>
Investment income:	
Net appreciation in fair value of investments	10,117,704
Interest	3,520,880
Other	<u>89,871</u>
Total investment income	13,728,455
Less investment expense	<u>445,118</u>
Net investment income	<u>13,283,337</u>
Total additions	<u>16,623,586</u>
Deductions:	
Benefits	4,470,589
Health care premium subsidies	1,197,641
Administrative expense	<u>103,734</u>
Total deductions	<u>5,771,964</u>
Change in net assets	10,851,622
Net assets held in trust for pension benefits:	
Beginning of year	<u>98,463,901</u>
End of year	<u><u>\$ 109,315,523</u></u>

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS

	March 31, 2004	June 30, 2004				
	Wyoming Housing Commission	62A District Court	Wyoming Downtown Development Authority	Economic Development Corporation	Brownfield Redevelopment Authority	Total
<u>Assets</u>						
Cash and cash equivalents (Note D)	\$ 475,595	\$ 290,056	\$ 213,092	\$ 63,714	\$ 2,987	\$ 1,045,444
Investments	27,500	-	-	35,280	-	62,780
Accounts receivable - net	12,602	-	-	-	-	12,602
Due from other governmental units	35,000	-	-	-	-	35,000
Inventories	450	-	-	-	-	450
Prepaid expenses	13,985	-	-	-	-	13,985
Restricted assets:						
Cash and cash equivalents (Note D)	-	-	2,331	-	-	2,331
Capital assets, (Note F)	8,458,760	-	44,958	-	-	8,503,718
less accumulated depreciation	(4,147,323)	-	-	-	-	(4,147,323)
Total assets	4,876,569	290,056	260,381	98,994	2,987	5,528,987
<u>Liabilities</u>						
Accounts payable	29,997	-	4,271	-	-	34,268
Accrued liabilities	26,820	-	-	-	-	26,820
Due to other governmental units	170,980	290,056	-	-	-	461,036
Due to primary government (Note E)	83,239	-	-	-	-	83,239
Deposits	42,020	-	-	-	-	42,020
Deferred revenue	3,925	-	-	-	-	3,925
Noncurrent liabilities: (Note G)						
Due within one year	10,698	-	30,617	-	-	41,315
Due in more than one year	44,965	-	206,970	-	-	251,935
Total liabilities	412,644	290,056	241,858	-	-	944,558
<u>Net assets</u>						
Invested in capital assets, net of related debt	4,305,735	-	-	-	-	4,305,735
Unrestricted	158,190	-	18,523	98,994	2,987	278,694
Total net assets	\$ 4,463,925	\$ -	\$ 18,523	\$ 98,994	\$ 2,987	\$ 4,584,429

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS

Year Ended June 30, 2004 (March 31, 2004 for Wyoming Housing Commission)

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Wyoming Housing Commission				
Health and welfare	\$ 6,648,376	\$ 461,479	\$ 6,298,880	\$ -
62A District Court				
Judicial	3,571,047	3,571,047	-	-
Wyoming Downtown Development Authority				
Health and welfare	91,491	12,220	-	-
Interest on long term-debt	14,490	-	-	-
Total	<u>105,981</u>	<u>12,220</u>	<u>-</u>	<u>-</u>
Economic Development Corporation				
Health and welfare	20,625	-	-	-
Brownfield Redevelopment Authority				
Health and welfare	<u>774</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total component units	<u>\$10,346,803</u>	<u>\$ 4,044,746</u>	<u>\$ 6,298,880</u>	<u>\$ -</u>

General revenues:

Property taxes

Unrestricted investment earnings

Gain on sale of capital assets

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets, beginning of year

Net assets, end of year

Net (Expense) Revenue and Changes in Net Assets					
Wyoming Housing Commission	62A District Court	Wyoming Downtown Development Authority	Economic Development Corporation	Brownfield Redevelopment Authority	Total
\$ 111,983					\$ 111,983
	\$ -				-
		\$ (79,271)			
		(14,490)			(93,761)
		(93,761)			
			\$ (20,625)		(20,625)
				\$ (774)	(774)
					(3,177)
-	-	169,296	-	-	169,296
9,051	-	2,358	1,270	16	12,695
1,928	-	-	-	-	1,928
9,895	-	-	-	-	9,895
-	-	-	(704)	704	-
20,874	-	171,654	566	720	193,814
132,857	-	77,893	(20,059)	(54)	190,637
4,331,068	-	(59,370)	119,053	3,041	4,393,792
\$ 4,463,925	\$ -	\$ 18,523	\$ 98,994	\$ 2,987	\$ 4,584,429

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE A – DESCRIPTION OF THE CITY

The City of Wyoming, Michigan was incorporated in 1959. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, culture and recreation, public improvements, planning and zoning, and general administrative services.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Wyoming (the primary government) and its component units for which the City is considered to be financially accountable. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

1. Blended Component Unit

The Building Authority is a legally separate entity created by the City. The Building Authority uses the proceeds of its tax-exempt bonds to finance the construction of general capital assets for the City. The bonds are secured by a lease agreement with the City and will be retired through lease payments from the City.

2. Discretely Presented Component Units

The component units' column in the statements of net assets and activities includes the financial data of the City's five other component units. These are reported in a separate column to emphasize that they are legally separate from the City.

Economic Development Corporation - The Economic Development Corporation (EDC) was established pursuant to the provisions of Public Act 338 of 1974, as amended, and is governed by a nine member Board of Directors appointed by the City. The City has financial accountability for the EDC as the City has authority to approve all EDC projects.

Brownfield Redevelopment Authority – The Brownfield Redevelopment Authority was established pursuant to Public Act 381 of 1996 and is governed by the Economic Development Board of Directors. Upon completion of its purpose, the Authority may be dissolved by resolution of the City Council.

Wyoming Downtown Development Authority
The Wyoming Downtown Development Authority, was established pursuant to Public Act 197 of 1995, as amended, and is governed by a nine member Board of Directors appointed by the Mayor, subject to approval of the City Council. Upon completion of its purposes, the Authority may be dissolved by resolution of the City Council.

Wyoming Housing Commission – The Wyoming Housing Commission (WHC), which was established pursuant to Public Act 18 of 1933, as amended, consists of five members who are appointed by the City. Because the City may remove commission members, it has financial accountability for the WHC.

District Court of Wyoming – The District Court accounts for the collection and payment to the State of Michigan, Kent County, and the City of Wyoming, of fines and fees collected on their behalf. Bond and other trust money held by the Court are also accounted for. The City is financially accountable for the District Court. The District Court does not issue separate financial statements.

Complete financial statements of the individual component units can be obtained from the respective administrative offices or from the City's office.

City of Wyoming
Economic Development Corporation
1155 28th Street, SW
Wyoming, Michigan 49509

City of Wyoming
Brownfield Redevelopment Authority
1155 28th Street, SW
Wyoming, Michigan 49509

CITY OF WYOMING, MICHIGAN
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

City of Wyoming
Wyoming Downtown Development Authority
1155 28th Street, SW
Wyoming, Michigan 49509

Wyoming Housing Commission
2450 36th Street, SW
Wyoming, Michigan 49509

City of Wyoming
District Court 62A
1155 28th Street, SW
Wyoming, Michigan 49509

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental

funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except for the agency fund which does not have a measurement focus). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Agency Funds are custodial in nature and do not present results of operations or have a measurement focus.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Governmental funds expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

On the governmental funds statements, property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special

CITY OF WYOMING, MICHIGAN
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

- The *general fund* is the government's primary operating fund. It accounts for all the resources traditionally associated with governments which are not required to be accounted for in another fund.
- The *major street fund* accounts for the maintenance of all major streets and trunklines. Financing is provided by special revenues from provisions of Act 51 of 1951 as amended.
- The *local street fund* accounts for the maintenance of all local streets. Financing is provided by special revenues from provisions of Act 51 of 1951 as amended.
- The *parks and recreation fund* accounts for the operation and maintenance of the parks and recreational facilities. This fund is financed by a special tax levy.
- The *community development block grant fund* accounts for the improvement, rehabilitation and preservation of public facilities in target areas as well as at the issuance and repayment of rehabilitation loans. Financing is provided by Community Development Block Grants and Program Income.
- The *capital improvement fund* accounts for major capital expenditures not financed by Enterprise Funds or Internal Service Funds.
- The *capital projects revolving fund* accounts for money advanced and received from special assessments on benefited property for improvement projects not funded by the issuance of bonds.

The City reports the following major proprietary funds:

- The *water fund* accounts for the operation and maintenance of the water supply system, capital additions and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds, municipalities and customers.
- The *sewer fund* accounts for the operation and maintenance of the sewage disposal system, capital additions and improvements and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds, municipalities and customers.

Additionally, the City reports the following fund types:

- *Internal service funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a cost reimbursement basis.
 1. The *motor pool fund* accounts for the procurement and maintenance of City equipment and vehicles. Revenues are provided through vehicle and equipment rental charges to other funds.
 2. The *insurance fund* accounts for payment of approved insurance claims, public liability, life insurance, workers' compensation, etc. The City is self-insured and finances its insurance payments through budgeted transfers from other funds.
- The *agency fund* accounts for the collection and payment to Kent County, various school districts, and other taxing authorities of property taxes collected by the City on their behalf.
- The *pension trust fund* accounts for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by the City at amounts determined by an annual actuarial study.

CITY OF WYOMING, MICHIGAN
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the supplementary information:

- During the first week of April, the City Manager submits to the City Council a

proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

- Public hearings are conducted by the City Council to obtain taxpayer comments.
- No later than the second week of May, the budget is legally enacted through passage of a Council resolution.
- Formal budgetary integration is employed as a management control device during the year for all governmental funds except the Capital Projects Revolving Fund.
- Budgets are adopted on a modified accrual basis consistent with generally accepted accounting principles.
- Budgetary control over expenditures is maintained on an activity level basis by department, which is the legal level of control for all funds. Administrative control is maintained through the establishment of more detailed line-item budgets.
- Budgets are adopted by the City Council at the activity level. The City Manager has the authority to transfer necessary amounts between activities within the same department of any fund and make any adjustments which do not affect the ending fund balance. Transfers between departments must be approved by the City Council.
- Supplemental appropriations for additional expenditures, which require an appropriation of available fund balance, must be approved by the City Council.
- Budgeted amounts are as originally adopted or as amended by the City Council during the year.
- Appropriations for operations lapse at year-end. Appropriations for continuing projects are incorporated in the budget of the ensuing year. The City reserves fund balances for these items.

CITY OF WYOMING, MICHIGAN
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

Assets, Liabilities, and Net Assets or Equity

1. Cash and Cash Equivalents

The City considers cash on hand and demand deposits, restricted cash deposits, and short-term investments with maturities of three months or less when purchased to be cash for the statement of cash flows.

2. Investments

Investments are reported at fair value, except that commercial paper and U.S. Treasury and Agency obligations with a remaining maturity at the time of purchase of one year or less, are shown at amortized cost.

3. Due From Other Governmental Units

Amounts due from units include amounts due from grantors for specific programs and capital projects. Program grants and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Revenues received in advance of project costs being incurred are deferred.

4. Inventories and Prepaid Items

Inventories are accounted for using the consumption method and are valued at cost (first-in, first-out).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Restricted Assets

Proprietary Funds, because of certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, storm sewers, etc.) are reported in the applicable governmental or business-type

activities columns of the government-wide financial statements. Capital assets are defined by the City as tangible property having a useful life in excess of three years and whose cost exceeds \$1,500.

All capital assets are valued at historical cost or estimated historical cost where actual cost information is not available (i.e., infrastructure assets purchased or constructed prior to July 1, 2001). Infrastructure assets have been included in the current year acquisitions. Donated capital assets are recorded at their fair value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially increase asset lives are not capitalized. Major outlays for capital assets are capitalized as projects are constructed.

Depreciation of all exhaustible capital assets used by the City is charged as an expense against its various functions. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

	Years
Infrastructure	40-66
Water and sewer mains	66
Buildings, water reservoir tanks	40
Treatment plants	20
Pumping equipment	10-40
Other machinery and equipment	3-10

7. Other Assets

The City is amortizing the unrealized losses on bond refinancing as a component of interest expense in a systematic and rational manner over the remaining life of the new debt. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt, notes, and other obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund types statements of net assets.

CITY OF WYOMING, MICHIGAN
NOTES TO BASIC FINANCIAL STATEMENTS
(Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as issuance costs during the current period. The face amount of newly issued debt is reported as other financing sources. Premiums and discounts are reported as other financing sources (uses) while issuance costs are reported as expenditures.

9. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition or construction of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations from other governments.

Revenues, Expenditures, and Expenses

1. Property Taxes

The City bills and collects its own property taxes. City property taxes attach as an enforceable lien on property as of July 1. Taxes are levied on July 1 and are due without penalty on or before August 31. Uncollected real property taxes as of

March 1 are turned over by the City to Kent County for collection. The County advances the City 100% of these delinquent taxes. Collection of delinquent personal property taxes as of March 1 remains the responsibility of the City Treasurer. Since all City property taxes levied are current receivables, tax revenues are recognized when levied.

The City also acts as the billing and collection agent for Kent County, the State of Michigan and the school districts within the City limits. Portions of the school district taxes are billed with the City taxes on the July 1 levy.

The remainder of the school district taxes and all Kent County taxes are billed on December 1 and are due without penalty on February 14. Taxes collected on behalf of the school districts and the County are accounted for in designated agency funds. Uncollected school district and County real property taxes as of March 1 are also turned over to Kent County for collection. The County advances payment for these taxes directly to the school districts.

The state taxable value of real and personal property, excluding \$147,091,280 under the Industrial Facilities and Commercial Facilities Tax Act, located in the City at December 31, 2001 totaled \$1,816,834,343. The tax levy for the year was based on the following rates:

	Millage Rate Used	Authorized Millage Rate By Either State Law Or City Charter
General operating	4.6695	5.00
Fire	0.7500	0.75
Police	1.2500	1.25
Parks and Recreation	1.5000	1.50
Sidewalk Snow Removal	0.1600	0.20
Yard Waste Disposal	0.1700	3.00
Library	0.1000	0.39
Debt Service	0.4100	As required for Debt Service
Street, Sewer, and Water Improvements	1.8678	2.00

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

2. Internal Balances

During the course of normal operations the City has numerous transactions between funds, including expenditures and transfers of resources to provide services and construct assets.

Charges for insurance and equipment rental to various City departments and funds are recognized as operating revenue by the Internal Service Funds. The various funds record these payments as expenditures/expenses.

The General Fund provides administrative services to the Proprietary Funds, Internal Service Funds, Inspections Fund, and the Major and Local Street Funds. In the fund financial statements, the amounts charged for these services are recognized as revenue by the General Fund and as expenditures or expenses by the funds receiving the services. In the government-wide financial statements, the amounts received for these services are eliminated.

The Proprietary Funds supply water and sewage disposal to the General Fund. Amounts charged are recorded as operating revenues and expenditures, respectively.

3. Compensated Absences

City employees are granted vacation and sick leave in varying amounts based on length of service. General employees and firemen can accumulate three years' entitlement of vacation days, and police are allowed an unlimited accumulation of vacation. Upon termination, employees are paid for unused vacation at their current rates. Sick leave is accumulated at the rate of one day per month of employment. Unused sick leave accumulates from year to year to an unlimited amount. Upon termination, employees are paid for their accumulated sick leave at their current rates according to the following schedule:

General employees	= 1 day for every 2 days accumulated with no limit when employed 5 years
Dispatchers and telephone operators	= 1 day for every 2 days accumulated with no limit when employed 10 years
Firefighters	= 1 day for every 2 days accumulated with no limit when employed 5 years
General and fire administrative	= 1 day for every 2 days accumulated with no limit
Police and police administrative	= 1 day for every 2 days accumulated with no limit when employed 10 years

It is the City's policy to recognize the cost of vacation pay and sick leave at the time the liability is incurred, including salary related payments. In the Governmental Funds financial statements only the matured liability for compensated absences is reported. The total liability is reported in the government-wide and proprietary Fund Financial statements.

NOTE C – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with the Single Audit Act Amendments of 1996

Procedures performed to test compliance relating to federal assistance programs as required by the Single Audit Act Amendments of 1996 and related findings are detailed in a separate report. There were no significant findings or questioned costs included in that report.

NOTE D – CASH AND INVESTMENTS

Deposits

Primary Government

At year-end, the carrying amount of the unrestricted and restricted deposits was \$5,616,710 and the bank balance was \$5,866,769. Of the bank balance, \$431,516 was

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

covered by Federal depository insurance and \$5,435,253 was uninsured.

Component Units

At year-end, the carrying amount of the component units' unrestricted and restricted deposits was \$1,110,555 and the bank balance was \$1,174,260. Of the bank balance, \$686,603 was insured and \$487,657 was uninsured and uncollateralized.

Investments

Statutes authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services, bankers' acceptances of U.S. banks, United States government or federal agency obligation repurchase

agreements, obligations of the State of Michigan or any of its political subdivisions rated as investment grade by not less than one standard rating service and mutual funds composed of the types of investment vehicles named previously. The Pension Trust Fund is also authorized to invest in corporate stocks and bonds allowed by state law.

The City's unrestricted and restricted assets are categorized below to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured, registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

	Category			Carrying Amount	Fair Value
	1	2	3		
U.S. Government treasuries	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Government agencies	-	28,390,646	-	28,390,646	28,390,646
Common stock	-	47,384,426	-	47,384,426	47,384,426
Foreign stock	-	229,601	-	229,601	229,601
Preferred stock	-	3,133,166	-	3,133,166	3,133,166
Negotiable certificates of deposit	-	30,526,216	-	30,526,216	30,526,216
Foreign Corp.	-	1,256,908	-	1,256,908	1,256,908
Corporate bonds	-	32,056,947	-	32,056,947	32,056,947
Municipal bonds	-	526,590	-	526,590	526,590
American depository receipts	-	2,374,516	-	2,374,516	2,374,516
	<u>\$ -</u>	<u>\$ 145,879,016</u>	<u>\$ -</u>	145,879,016	145,879,016
Mutual funds				<u>15,999,622</u>	<u>15,999,622</u>
Total investments				<u>\$ 161,878,638</u>	<u>\$ 161,878,638</u>

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

A reconciliation of the notes to the cash and investments shown on the financial statements at June 30, 2004 is as follows:

	Primary Government	Component Units
Cash and investments per notes:		
Cash deposits	\$ 5,616,710	\$ 1,047,775
Petty cash	9,619	-
Investments	161,878,638	62,780
	<u>\$ 167,504,967</u>	<u>\$ 1,110,555</u>
Cash and investments per Statement of Net Assets:		
Cash and cash equivalents	\$ 4,276,999	\$ 1,045,444
Restricted cash	1,255,734	2,331
Investments	35,681,634	62,780
Restricted investments	11,581,044	-
Cash and investments of Fiduciary Funds		
Pension Trust Fund		
Cash and cash equivalents	3,661,621	-
Investments	111,040,590	-
Agency Fund		
Cash and cash equivalents	4,068	-
Investments	3,277	-
	<u>\$ 167,504,967</u>	<u>\$ 1,110,555</u>

NOTE E – INTERFUND RECEIVABLES AND PAYABLES

Receivables and payables between primary government and component units at June 30, 2004 are:

	Due From Component Unit	Due to Primary Government
General Fund	\$ 50,207	\$ -
Wyoming Housing Commission	-	83,239
Timing difference due to component unit with different fiscal year	-	(33,032)
	<u>\$ 50,207</u>	<u>\$ 50,207</u>

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

NOTE F – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2004 was as follows:

Primary Government

	Balance July 1, 2003	Additions	Retirements	Balance June 30, 2004
Governmental Activities				
Capital assets not depreciated:				
Land	\$ 4,123,608	\$ -	\$ 124,918	\$ 3,998,690
Rights of way	9,355,185	-	-	9,355,185
Construction in process	1,192,126	2,389,814	381,827	3,200,113
Capital assets being depreciated:				
Infrastructure	97,479,561	1,366,371	-	98,845,932
Buildings	36,118,128	139,539	-	36,257,667
Improvements other than buildings	3,027,148	39,254	5,358	3,061,044
Equipment	8,110,540	470,631	491,305	8,089,866
Vehicles	11,318,570	699,891	668,134	11,350,327
Totals at historical cost	170,724,866	5,105,500	1,671,542	174,158,824
Less accumulated depreciation for:				
Infrastructure	37,154,891	1,992,983	-	39,147,874
Buildings	7,063,092	1,396,476	-	8,459,568
Improvements other than buildings	1,630,096	187,068	5,358	1,811,806
Equipment	4,784,176	1,202,997	488,696	5,498,477
Vehicles	6,649,218	918,670	668,134	6,899,754
Total accumulated depreciation	57,281,473	5,698,194	1,162,188	61,817,479
Governmental Activities - Net Capital Assets	\$ 113,443,393	\$ (592,694)	\$ 509,354	\$ 112,341,345

Depreciation expense was charged to governmental functions as follows:

Legislative	\$ 975
Judicial	42,801
General government	664,243
Public safety	1,379,608
Public works	2,017,010
Health and welfare	11,880
Recreation and culture	379,803
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	1,201,874
Total depreciation expense	\$ 5,698,194

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

	Balance July 1, 2003	Additions	Retirements	Balance June 30, 2004
Business-Type Activities				
Capital assets not depreciated:				
Land	\$ 1,799,506	\$ 337,267	\$ -	\$ 2,136,773
Construction in process	13,113,308	3,383,997	11,768,061	4,729,244
Capital assets being depreciated:				
Buildings	22,994,107	8,578,732	-	31,572,839
Improvements other than buildings	133,136,720	3,193,694	31,572	136,298,842
Equipment	21,150,467	216,671	211,791	21,155,347
Vehicles	20,094	4,390	1,450	23,034
Totals at historical cost	<u>192,214,202</u>	<u>15,714,751</u>	<u>12,012,874</u>	<u>195,916,079</u>
Less accumulated depreciation for:				
Buildings	14,015,570	1,045,873	-	15,061,443
Improvements other than buildings	39,776,681	2,700,288	31,572	42,445,397
Equipment	14,898,037	826,164	211,791	15,512,410
Vehicles	20,094	-	1,450	18,644
Total accumulated depreciation	<u>68,710,382</u>	<u>4,572,325</u>	<u>244,813</u>	<u>73,037,894</u>
Business-Type Activities - Net Capital Assets	<u>\$ 123,503,820</u>	<u>\$ 11,142,426</u>	<u>\$ 11,768,061</u>	<u>\$ 122,878,185</u>
Depreciation expense was charged to business-type functions as follows:				
Water				\$ 2,171,471
Sewer				<u>2,400,854</u>
Total depreciation expense				<u>\$ 4,572,325</u>

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Component Units

	Balance Beginning of Year	Additions	Retirements	Balance End of Year
Wyoming Housing Commission				
Capital assets not depreciated:				
Land	\$ 609,714	\$ -	\$ -	\$ 609,714
Capital assets being depreciated:				
Buildings	6,848,027	-	-	6,848,027
Improvements other than buildings	290,757	255,373	-	546,130
Equipment	404,685	70,304	20,100	454,889
Totals at historical cost	8,153,183	325,677	20,100	8,458,760
Total accumulated depreciation	3,927,304	230,317	10,298	4,147,323
Wyoming Housing Commission - Net Capital Assets	4,225,879	95,360	9,802	4,311,437
Wyoming Downtown Development Authority				
Capital assets not depreciated:				
Land	44,958	-	-	44,958
Capital Assets - Component Units	\$ 4,270,837	\$ 95,360	\$ 9,802	\$ 4,356,395

NOTE G – LONG-TERM OBLIGATIONS

The following is a summary of individual issues comprising long-term obligations of the City at

June 30, 2004 and the changes therein for the year then ended.

Primary Government

	Interest Rates	Balances Beginning of Year	Additions	Deductions	Balances End of Year	Due Within One Year
Governmental Activities:						
Water Supply System General Obligation Bonds						
1964 Series I and II	.125% - 5.00%	\$ 325,000	\$ -	\$ 325,000	\$ -	\$ -
General Obligation Bonds						
1996	4.70% - 5.50%	281,366	-	32,465	248,901	36,072
1997	4.40% - 5.00%	398,935	-	44,657	354,278	44,657
1998	4.15% - 4.80%	556,484	-	46,596	509,888	48,673
General Obligation Library Bonds						
2000	5.25% - 5.375%	5,370,000	-	300,000	5,070,000	340,000

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

	Interest Rates	Balances Beginning of Year	Additions	Deductions	Balances End of Year	Due Within One Year
Michigan Transportation General Obligation Bonds						
1996	4.50% - 6.50%	\$ 2,605,000	\$ -	\$ 265,000	\$ 2,340,000	\$ 280,000
1997	4.30% - 5.00%	2,280,000	-	205,000	2,075,000	220,000
1998	4.10% - 4.75%	1,240,000	-	115,000	1,125,000	115,000
1999	4.80% - 4.85%	1,070,000	-	75,000	995,000	80,000
2001	4.125% - 5.15%	760,000	-	40,000	720,000	40,000
2002	2.75% - 4.65%	1,280,000	-	60,000	1,220,000	60,000
Special Assessment General Obligation Bonds						
1996	4.70% - 5.50%	325,000	-	45,000	280,000	50,000
1997	4.40% - 5.00%	620,000	-	75,000	545,000	80,000
1998	4.15% - 4.80%	1,115,000	-	115,000	1,000,000	115,000
2002	2.40% - 4.40%	1,130,000	-	85,000	1,045,000	80,000
2003	2.50% - 4.50%	-	570,000	-	570,000	45,000
Municipal Purchase Agreement						
1999	4.19%	47,438	-	47,438	-	-
1999	4.19%	125,103	-	125,103	-	-
2001	4.27%	599,250	-	199,750	399,500	199,750
Building Authority Bonds						
1997	4.75% - 5.25%	4,870,000	-	215,000	4,655,000	225,000
1998	4.25% - 5.00%	6,385,000	-	275,000	6,110,000	290,000
2000	5.375% - 5.50%	6,095,000	-	245,000	5,850,000	255,000
Compensated Absences		3,618,703	284,175	182,721	3,720,157	1,098,764
Workers Compensation Claims		2,014,911	220,806	292,488	1,943,229	249,755
Total Governmental Activities		\$ 43,112,190	\$ 1,074,981	\$ 3,411,218	\$ 40,775,953	\$ 3,952,671
Business-Type Activities:						
Contracts Payable:						
Kent County DPW, Wyoming Water Supply Refunding Bonds						
1993	5.45% - 7.15%	\$ 4,590,000	\$ -	\$ 680,000	\$ 3,910,000	\$ 715,000
Kent County DPW, Wyoming Water Supply Bonds						
1995	4.70% - 5.375%	6,060,000	-	315,000	5,745,000	335,000
Water Supply System Revenue Bonds						
1964	5.00%	-	-	-	-	-
1996	5.00% - 5.85%	625,000	-	25,000	600,000	25,000
1997	4.60% - 5.50%	780,000	-	45,000	735,000	45,000
1998	4.80% - 5.00%	1,040,000	-	65,000	975,000	65,000
1999	5.00% - 5.30%	490,000	-	25,000	465,000	25,000
2001	4.50% - 5.00%	7,700,000	-	250,000	7,450,000	260,000
2002	3.00% - 4.70%	3,785,000	-	-	3,785,000	-
2003	3.80% - 4.90%	-	995,000	-	995,000	40,000
Sewage Disposal System Revenue Bonds						
1996	4.65% - 5.65%	800,000	-	50,000	750,000	50,000
1997	5.00% - 5.25%	2,475,000	-	120,000	2,355,000	130,000
1998	4.25% - 5.00%	4,085,000	-	215,000	3,870,000	220,000
1999	4.95% - 5.30%	715,000	-	30,000	685,000	30,000
2002	2.65% - 4.60%	3,800,000	-	100,000	3,700,000	110,000
2003	3.50% - 4.90%	-	590,000	-	590,000	25,000
General Obligation Bonds Water Supply						
1996	4.70% - 5.50%	12,232	-	1,413	10,819	1,569
1997	4.40% - 5.00%	15,446	-	1,733	13,713	1,730
1998	4.15% - 4.80%	157,905	-	13,078	144,827	13,823

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

	Interest Rates	Balances Beginning of Year	Additions	Deductions	Balances End of Year	Due Within One Year
General Obligation Bonds Sewer Supply						
1996	4.70% - 5.50%	\$ 96,399	\$ -	\$ 11,124	\$ 85,275	\$ 12,360
1997	4.40% - 5.00%	255,621	-	28,613	227,008	28,614
1998	4.15% - 4.80%	485,611	-	40,312	445,299	42,504
Compensated Absences		<u>1,036,610</u>	<u>178,199</u>	<u>104,325</u>	<u>1,110,484</u>	<u>141,027</u>
Total Business-Type Activities		<u>\$ 39,004,824</u>	<u>\$ 1,763,199</u>	<u>\$ 2,120,598</u>	<u>\$ 38,647,425</u>	<u>\$ 2,316,627</u>
Component Units						
Wyoming Downtown Development Authority Promissory Note	5.625%	\$ 266,473	\$ -	\$ 28,886	\$ 237,587	\$ 30,617
Wyoming Housing Commission Note Payable - 2002	0.00%	13,310	-	7,608	5,702	5,702
Compensated Absences		<u>63,528</u>	<u>-</u>	<u>13,567</u>	<u>49,961</u>	<u>4,996</u>
Total Component Units		<u>\$ 343,311</u>	<u>\$ -</u>	<u>\$ 50,061</u>	<u>\$ 293,250</u>	<u>\$ 41,315</u>

The General Obligation Bond Issues are backed by the full faith and credit of the City. Current debt service requirements are funded by City property tax revenues and are maintained in various Debt Service Funds. The Special Assessment Bonds are backed by the limited tax full faith and credit of the City. Debt service requirements are funded by special assessment levies. The Transportation Bonds are backed by the limited tax full faith and credit of the City. Debt service requirements are funded by transportation monies. The City pays the current debt service requirements on the bonds issued by the Wyoming Building Authority through lease payments to the Building Authority. The City has pledged its limited full faith and credit on these bonds. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

Recorded in the Enterprise Funds are general obligation contracts amounting to \$10,581,941 at June 30, 2004 for which the City's full faith

and credit is pledged. It is anticipated that the principal and interest on this debt will continue to be serviced by these funds. Revenue Bond Issues are collateralized by the capital assets constructed from bond proceeds. The City ordinance authorizing the issuance of revenue bonds requires that separate bank accounts be established and funded annually for bond and interest requirements and for a replacement and maintenance reserve. The required amounts have been set aside by the City and are reflected as restricted assets on the balance sheet.

The compensated absences liability attributable to governmental activities will be liquidated by the City's governmental and internal service funds.

The annual requirements to pay principal and interest on the long-term bonds, notes, and contracts outstanding at June 30, 2004 are as follows:

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Fiscal Year Ended	Primary Government				Component Unit	
	Governmental Activities		Business-Type Activities			
	Principal	Interest	Principal	Interest	Principal	Interest
2005	\$ 2,604,152	\$ 1,722,519	\$ 2,175,600	\$ 1,786,925	\$ 36,319	\$ 7,058
2006	2,710,076	1,598,494	2,304,674	1,680,997	32,409	10,968
2007	2,615,621	1,472,952	2,409,379	1,569,513	34,307	9,070
2008	2,724,524	1,351,099	2,530,475	1,453,187	36,297	7,080
2009	2,839,819	1,223,158	2,645,180	1,329,226	38,440	4,937
2010-2014	13,043,375	4,085,925	11,086,633	5,077,330	103,958	8,099
2015-2019	8,070,000	1,273,522	9,855,000	2,322,082	-	-
2020-2023	505,000	27,775	4,530,000	517,717	-	-
	<u>\$ 35,112,567</u>	<u>\$ 12,755,444</u>	<u>\$ 37,536,941</u>	<u>\$ 15,736,977</u>	<u>\$ 281,730</u>	<u>\$ 47,212</u>

The City of Wyoming is a party to certain agreements relating to Economic Development First Mortgage Revenue Bonds issued by the Economic Development Corporation of the City of Wyoming. The City has also issued Industrial Development Revenue Bonds under the Michigan Industrial Development Revenue Bond Act of 1963. These bonds are secured by the assets constructed or purchased with the bond proceeds and are generally guaranteed by the recipient organization and its officers. These bonds are not a liability of the City. The promissory note issued by the Wyoming Downtown Development Authority was issued in anticipation of Tax Increment Revenues on taxable properties in the Development area. The City has not pledged its limited full faith and credit on this promissory note.

The legal debt margin for general obligation bonds as of June 30, 2004 is \$165,833,638.

NOTE H – PENSION TRUST FUND

Plan Description

All full-time employees of the City are covered by the City of Wyoming Retirement System, a single employer, defined benefit public employees retirement system created and administered under Chapter 58 of the City Code. The plan does not issue separate financial statements.

Employees who retire at or after age 60 (General), 50 (Police), or 55 (Fire) with 10 or more years of credited service (5 or more years for administrative employees) are entitled to

annual retirement benefits, payable monthly for life, in an amount equal to 2.35% (Police and Administrative), 2.35% (General and Fire) and 2.25% (Police Dispatchers), of their final average salary times years of credited service. There is an annual post retirement increase for police command members at least 60 years of age who retire after July 1, 1992 and general administrative members equal to 40% of the average annual increase in the CPI. The increase is limited to 5% per year.

Post-retirement health insurance premiums: General members - \$10 per month times years of credited service, not to exceed 25 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and spouse regardless of optional form of benefit selected. General Dispatchers and Telephone Operators - \$10 per month times years of credited service, not to exceed 25 years, payable to age 65. Police members (non-supervisory) - \$10 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and spouse regardless of optional form of retirement benefit selected. Police members (command) - \$12 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and spouse regardless of optional form of retirement benefit selected. Fire members - \$10 per month times years of credited service, not to exceed 30 years, payable to age 60. After age 60, total premium amount for the lifetime of the retiree and spouse regardless of optional form of retirement benefit selected. Administrative

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

members of all groups – total premium amount for the lifetime of the retiree and spouse regardless of optional form of retirement benefit selected.

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	282	
Active plan participants	438	*
Total	<u>720</u>	

* We are unable to separate the active members into vested and non-vested.

Significant Accounting Policies

Basis of Accounting

The financial statements of the Retirement System have been prepared on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Contributions from the City have been reflected when due and a formal commitment and/or statutory/contractual requirement to provide the contribution has been made. Payments to members have been reflected when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Funding Policy

Police members (non-supervisory) are required to contribute 1.59 percent of their gross pay to the plan. All other employees of the City are not required to contribute to the plan. The City is required to make annual contributions based on an actuarially computed percentage of covered wages in amounts sufficient to cover normal

costs of benefits and amortize the prior service liabilities over a period of future years.

During the year ended June 30, 2004 contributions totaling \$3,267,506 were made in accordance with contribution requirements determined by an actuarial valuation of the plan as of June 30, 2002. The employer contributions consisted of \$3,100,141 for normal cost, \$(1,603,795) for amortization of the unfunded actuarial accrued liability, and \$1,771,160 for health insurance. Employer contributions represented 14.02% for June 30, 2002 covered payroll and include contributions for health insurance premium coverage of 7.60% for future retired lives.

Legally required reserves are recorded as follows:

Reserved for:

Employees' contributions	\$ 611,087
Retired benefit payments	43,803,773
Employer contributions	58,931,447

Concentrations

As of June 30, 2004, there are no investments constituting 5% of plan assets.

Annual Pension Costs

The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due.

The normal cost and actuarial accrued liability are determined using an individual entry age normal cost method. Unfunded actuarial accrued liabilities for pensions were amortized as a level percent of payroll over a period of 8 years. The City's annual pension cost is equal to the annual required contribution as reflected in the schedule of employer contributions which follows:

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Required Supplementary Information

Schedule of Funding Progress						
(1)	(2)	(3)	(4)	(5)	(6)	
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2) - (1)	Funded Ratio (1) / (2)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll (3) / (5)
6/30/1999	\$ 94,222,000	\$ 75,878,000	\$ (18,344,000)	124.2 %	\$ 18,310,000	(100.2) %
6/30/2000	103,402,000	84,081,000	(19,321,000)	123.0	20,073,000	(96.3)
6/30/2001	108,676,000	88,504,000	(20,172,000)	122.8	20,645,000	(97.7)
6/30/2002	110,715,000	94,573,000	(16,142,000)	117.1	21,336,000	(75.7)
6/30/2003	111,389,000	97,359,000	(14,030,000)	114.4	22,002,000	(73.8)
6/30/2004	111,034,000	102,175,000	(8,859,000)	108.7	22,467,000	(39.4)

During the year ended June 30, 2004, the plan experienced a net change of \$4,815,640 in the actuarial accrued liability. Benefit provision charges accounted for \$255,099 of this amount. There were no changes in benefit provisions or in actuarial assumptions or methods during the year.

Schedule of Employer Contributions		
Year Ended June 30,	Annual Contribution Required	Percentage Contributed
1999	\$ 1,532,000	100 %
2000	1,578,000	100
2001	1,817,000	100
2002	1,842,000	100
2003	1,531,000	100
2004	1,521,000	100

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	June 30, 2004
Actuarial cost method	Entry Age
Amortization method	Level percent of payroll, open
Remaining amortization period	8 years closed pension 30 years health
Asset valuation method	Open 5 year smoothed market
Actuarial assumptions:	
Investment rate of return	7.75%
Projected salary increase	4.5% - 8.5%
Included inflation at	4.5%

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

NOTE I – RISK MANAGEMENT AND BENEFITS

The City has in place a self-insured risk management program, which encompasses various annual retention levels, depending upon the specific coverage and provides various additional coverage with excess insurance from Michigan Municipal Risk Management Authority (MMRMA). MMRMA also provides claims adjusting services, appraisal services, risk review and training. Workers' compensation insurance provides first-dollar coverage on all claims and the City assumes the first \$15,000 of damages to its vehicles with excess insurance provided by MMRMA up to \$1,500,000. Damages to all other forms of property are established with a \$1,000 deductible, with the City assuming 10% of the next \$100,000 and excess insurance over \$100,000 to \$194,347,000 is provided by MMRMA. Retention for general, public, police professional and vehicle liability is established at \$500,000, excess insurance with MMRMA provides coverage from \$500,000 to \$15,000,000 and the City assumes total unlimited risk over and above \$15,000,000. The amount of settlements has not exceeded insurance coverage for each of the past three years.

The City manages its risks internally, except for employee life, vision, and dental insurance coverage, and has established assets for claim settlement in its Internal Service Funds. These funds allocate the cost of providing stop-loss insurance, claims servicing and claims payment by charging a "premium" to each fund and organization using various bases depending upon the type of coverage. The charges take into consideration recent trends in actual experience and also make provision for possible catastrophic losses.

Liabilities are established when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend upon such complex factors as inflation, changes in legal positions, and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claims liabilities are periodically reevaluated to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

Changes in the balances of claims liabilities during fiscal years 2003 and 2004 were as follows:

Year	Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	End of Fiscal Year
2003	\$ 2,001,934	\$ 6,311,438	\$ 6,298,461	\$ 2,014,911
2004	2,014,911	6,848,517	6,920,199	1,943,229

At June 30, 2004, the Insurance Fund held \$5,007,376 in cash, investments and accrued interest receivable. In the normal course of its activities the City becomes a party in various legal actions. Legal counsel and management of the City are of the opinion that the outcome of such actions will not have a material effect on the financial position of the City and, therefore, have not reflected loss reserves in the financial statements.

NOTE J – COMMITMENTS

Construction Projects

At June 30, 2004, the City had commitments related to street, sewer and water construction projects totaling approximately \$7,706,000 and for City facility construction projects totaling approximately \$405,000.

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Biosolids Authority

On July 6, 2004, the City approved the 2004, 2005 and 2006 budgets for the Grand Valley Regional Biosolids Authority. These budgets reflect an estimated payment of \$1,250,000 in both 2005 and 2006 by the City's Sewer Fund.

NOTE K – SECURITIES LENDING

State statutes and board of trustees policies permit the City of Wyoming Retirement System to lend its securities to broker-dealers with a simultaneous agreement to return the collateral for the same securities in the future. During the year ended June 30, 2004, the Retirement System loaned common stock and corporate bonds and received cash as collateral. The carrying and fair value of the securities loaned by the City to the broker at June 30, 2004 was \$5,895,719.

All securities loan agreements can be terminated at the discretion of the agent. In addition, the agent is not liable for any loss or damage resulting from the lending transactions. At year-end, the Retirement System had no credit risk, as the amount the borrower owed the Retirement System approximated the amount the Retirement System owed the borrower.

NOTE L – PRIOR PERIOD ADJUSTMENT

Correction of Accounting Principle - Derived Tax Revenue

Motor highway vehicle tax (MHVT) revenue collected by the State and remitted to the City is considered a nonexchange transaction - derived tax revenue. Receivables of derived tax revenues should normally be recognized when the underlying transaction occurs. Payments of MHVT have historically been recognized in the month received. The City receives payments for May and June underlying transaction in July and August. Commencing with fiscal year end June 30, 2004, the City will recognize MHVT as a derived tax revenue. As a result, the City has restated the Major and Local Streets Funds fund balances as shown below.

Correction of Error

Grants received are normally treated as a deferred revenue until such time as the revenue is earned. During fiscal year 2003, a grant in the Parks and Recreation fund was treated as earned when in reality the proceeds were not earned. As a result, the amount that was unearned is being recognized as deferred income resulting in the restatement of the fund balance as shown below.

Fund	Fund Balance June 30, 2003	Restatement	Fund Balance July 1, 2003
Governmental Funds:			
Major Funds:			
Major Streets Fund	\$ 695,597	\$ 588,589	\$ 1,284,186
Local Streets Fund	1,041,530	183,198	1,224,728
Parks and Recreation Fund	480,416	(13,696)	466,720
Other Funds	14,279,682	-	14,279,682
Total Governmental Funds	<u>\$ 16,497,225</u>	<u>\$ 758,091</u>	<u>\$ 17,255,316</u>

Correction of Error

Bond discount and amortization were understated during the prior year by \$349,670.

Net assets, beginning of the year in the government-wide financial statements has been restated to reflect the changes noted above to and for this correction.

CITY OF WYOMING, MICHIGAN
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Fund	Net Assets June 30, 2003	Restatement	Net Assets July 1, 2003
Primary Government			
Governmental Activities	\$ 97,641,979	\$ 1,107,768	\$ 98,749,747
Business-Type Activities	115,839,073	-	115,839,073
 Total	 <u>\$ 213,481,052</u>	 <u>\$ 1,107,768</u>	 <u>\$ 214,588,820</u>

NOTE M – JOINTLY GOVERNED ORGANIZATION

The City has entered into an agreement with the City of Grand Rapids to form a joint regional biosolids authority to acquire land and construct a facility for the disposal of waste from each of the communities' sewer plants. During the fiscal year, both cities put funds into the authority for the purchase of land. The City's share of the land has been recorded as a fixed asset of the Sewer Fund.

NOTE N – SUBSEQUENT EVENTS

Bond Refunding

On November 3, 2004, Kent County sold \$5,580,000 of bonds on behalf of the City.

Proceeds from the bonds will be used to payoff callable 1995 water bonds. The interest rate on the bond issue ranges from 1.05 – 3.40 percent and the maturity date is November 1, 2015.

Voluntary Retirement Incentive Plan

On August 16, 2004, the City adopted the 2004 Voluntary Retirement Incentive Plan. The plan allows full-time employees eligible for early or normal retirement be January 1, 2005 and retiring between June 1, 2004 and January 31, 2005, to receive a lump sum payment of \$20,000 and to have the early retirement penalty eliminated when the member reaches age 60.

Required Supplementary Information

CITY OF WYOMING, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
GENERAL FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 8,882,000	\$ 8,882,000	\$ 8,764,775	\$ (117,225)
Industrial/commercial facilities	296,700	296,700	293,639	(3,061)
Service charges in lieu of taxes	10,000	10,000	7,794	(2,206)
Penalties and interest on delinquent property taxes	79,000	79,000	71,060	(7,940)
Trailer fees	4,000	4,000	3,428	(572)
Tax administration fees	855,000	855,000	842,410	(12,590)
Total taxes	10,126,700	10,126,700	9,983,106	(143,594)
Licenses and permits:				
Business licenses	108,000	108,000	108,629	629
CATV fees	568,000	568,000	527,731	(40,269)
Total licenses and permits	676,000	676,000	636,360	(39,640)
Intergovernmental:				
Federal grants	19,710	340,458	290,415	(50,043)
State shared revenues	6,970,000	6,970,000	6,570,913	(399,087)
State grants	156,020	197,530	194,421	(3,109)
Liquor license refunds	19,200	19,200	18,945	(255)
School's share:				
Crossing guards	44,450	44,450	31,768	(12,682)
School liaison	136,000	136,000	139,549	3,549
Total intergovernmental	7,345,380	7,707,638	7,246,011	(461,627)
Fees and service charges:				
Board of appeals	16,000	16,000	21,225	5,225
Industrial facilities tax application fees	15,000	15,000	19,773	4,773
Planning fees	20,000	20,000	21,460	1,460
Duplicating services	16,000	16,000	14,172	(1,828)
Interfund services	2,683,320	2,683,320	2,683,320	-
Police:				
OUIL/OUID cost reimbursement	30,000	30,000	34,363	4,363
False alarm fees	10,000	10,000	14,800	4,800
Finger print fees	4,100	4,100	5,260	1,160
Other fees	8,000	8,000	3,349	(4,651)
Total fees and service charges	2,802,420	2,802,420	2,817,722	15,302
Fines and forfeitures:				
Court fines and costs	2,100,000	2,100,000	1,996,898	(103,102)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues (Continued):				
Building rental	\$ 130,090	\$ 132,870	\$ 133,984	\$ 1,114
Investment earnings	206,000	206,000	285,578	79,578
Donations	-	2,200	6,515	4,315
Miscellaneous	62,210	64,090	61,200	(2,890)
Total revenues	23,448,800	23,817,918	23,167,374	(650,544)
Expenditures:				
Legislative:				
Council	101,380	101,380	97,333	4,047
Newsletter	12,000	12,000	12,145	(145)
Total legislative	113,380	113,380	109,478	3,902
Judicial:				
District Court:				
Court	1,475,320	1,509,170	1,470,428	38,742
Probation	290,590	290,590	297,290	(6,700)
Total judicial	1,765,910	1,799,760	1,767,718	32,042
General government:				
Manager	447,190	447,190	409,784	37,406
Clerk:				
Elections	87,700	85,700	44,699	41,001
Clerk	423,680	425,680	418,850	6,830
Finance:				
Accounting	883,870	883,870	778,718	105,152
Treasurer	376,250	376,250	284,010	92,240
Computer services	1,528,160	1,619,180	1,542,784	76,396
Human resources	302,010	303,510	283,481	20,029
Assessor:				
Assessor	675,640	682,140	611,267	70,873
Board of review	4,600	4,600	4,475	125
Legal	310,000	360,000	330,903	29,097
Purchasing	151,950	151,950	148,286	3,664
Central services	327,410	327,410	299,567	27,843
City hall	480,000	480,000	479,701	299
Other city property	553,270	638,410	572,097	66,313
Total general government	6,551,730	6,785,890	6,208,622	577,268

CITY OF WYOMING, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
GENERAL FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (Continued):				
Public safety:				
Police:				
Administrative services	\$ 479,320	\$ 714,838	\$ 637,330	\$ 77,508
Police building	935,480	940,480	924,233	16,247
Records management	489,190	509,810	456,135	53,675
Criminal investigation services	1,991,340	1,992,040	1,948,281	43,759
Technical support unit	665,650	623,080	602,317	20,763
Patrol	7,417,840	7,426,550	7,167,891	258,659
Crossing guards	88,060	85,560	68,577	16,983
Senior volunteers	94,100	94,100	89,517	4,583
Training	80,000	80,000	48,873	31,127
Training - Act 32 and 302 funds	22,000	61,870	33,992	27,878
Communications	1,317,450	1,364,950	1,380,517	(15,567)
Jail	501,700	501,700	539,518	(37,818)
Total police	14,082,130	14,394,978	13,897,181	497,797
Fire:				
Administration	381,940	348,940	322,195	26,745
Buildings	496,580	514,360	504,087	10,273
Fire fighting	3,753,140	3,776,250	3,691,577	84,673
Prevention	197,830	197,030	191,524	5,506
Training	99,220	98,020	101,350	(3,330)
Total fire	4,928,710	4,934,600	4,810,733	123,867
Planning	338,880	338,880	336,499	2,381
Zoning board of appeals	7,260	7,260	6,507	753
Civil defense	2,600	2,600	2,232	368
Total public safety	19,359,580	19,678,318	19,053,152	625,166
Public works:				
Geographic information system	62,600	62,600	46,582	16,018
Street lighting	787,440	788,940	737,855	51,085
Total public works	850,040	851,540	784,437	67,103
Recreation and culture:				
Cable TV commission	210,160	210,160	210,160	-
Facilities	-	3,230	831	2,399
Total recreation and culture	210,160	213,390	210,991	2,399

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (Continued):				
Miscellaneous:				
Compensated absences	\$ 218,000	\$ 218,000	\$ 153,715	\$ 64,285
Contingency	151,100	58,530	-	58,530
Total miscellaneous	369,100	276,530	153,715	122,815
Debt service:				
Principal retirement	125,110	125,110	125,102	8
Interest on bonds	6,190	6,190	5,256	934
Total debt service	131,300	131,300	130,358	942
Total expenditures	29,351,200	29,850,108	28,418,471	1,431,637
Deficiency of revenue under expenditures	(5,902,400)	(6,032,190)	(5,251,097)	781,093
Other financing sources (uses):				
Proceeds from sale of capital assets	-	42,570	49,087	6,517
Transfer from:				
Fire Fund	1,483,000	1,483,000	1,467,600	(15,400)
Police Fund	2,473,200	2,473,200	2,446,105	(27,095)
Drug Law Enforcement Fund	30,000	59,180	59,180	-
Transfer to:				
Community Development Block Grant Fund	-	(23,140)	(23,147)	(7)
Total other financing sources (uses)	3,986,200	4,034,810	3,998,825	(35,985)
Net change in fund balance	(1,916,200)	(1,997,380)	(1,252,272)	745,108
FUND BALANCE, beginning of year	6,247,842	6,247,842	6,247,842	-
FUND BALANCE, end of year	<u>\$ 4,331,642</u>	<u>\$ 4,250,462</u>	<u>\$ 4,995,570</u>	<u>\$ 745,108</u>

CITY OF WYOMING, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
MAJOR STREET FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ 280,000	\$ 280,000	\$ 244,373	\$ (35,627)
Intergovernmental:				
Act 51 state shared	3,550,000	3,550,000	3,671,708	121,708
Fees and service charges	30,000	30,000	13,319	(16,681)
Investment earnings	21,000	21,000	10,899	(10,101)
Miscellaneous	25,000	25,000	21,511	(3,489)
Total revenues	3,906,000	3,906,000	3,961,810	55,810
Expenditures:				
Public works:				
Highways and streets:				
Street maintenance	830,320	853,580	905,937	(52,357)
Traffic services	900,070	1,000,630	955,081	45,549
Winter maintenance	659,210	659,210	618,001	41,209
Street administration	596,050	596,050	575,562	20,488
Total expenditures	2,985,650	3,109,470	3,054,581	54,889
Excess of revenues over expenditures	920,350	796,530	907,229	110,699
Other financing uses:				
Transfers out:				
Local Street Fund	(887,500)	(887,500)	(887,500)	-
Net change in fund balance	32,850	(90,970)	19,729	110,699
FUND BALANCE , beginning of year as restated	1,284,186	1,284,186	1,284,186	-
FUND BALANCE , end of year	\$ 1,317,036	\$ 1,193,216	\$ 1,303,915	\$ 110,699

CITY OF WYOMING, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
LOCAL STREET FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ 50,000	\$ 50,000	\$ 35,491	\$ (14,509)
Intergovernmental:				
Act 51 state shared	1,090,000	1,090,000	1,148,659	58,659
Fees and service charges	30,000	30,000	8,879	(21,121)
Investment earnings	21,200	21,200	18,485	(2,715)
Miscellaneous	2,300	2,300	4,613	2,313
Total revenues	1,193,500	1,193,500	1,216,127	22,627
Expenditures:				
Public works:				
Highways and streets:				
Street maintenance	1,001,680	1,024,940	950,874	74,066
Traffic services	258,640	258,640	282,606	(23,966)
Winter maintenance	377,980	377,980	368,574	9,406
Street administration	426,400	426,400	409,592	16,808
Total expenditures	2,064,700	2,087,960	2,011,646	76,314
Deficiency of revenues under expenditures	(871,200)	(894,460)	(795,519)	98,941
Other financing sources:				
Transfers in:				
Major Street Fund	887,500	887,500	887,500	-
Net change in fund balance	16,300	(6,960)	91,981	98,941
FUND BALANCE , beginning of year, as restated	1,224,728	1,224,728	1,224,728	-
FUND BALANCE , end of year	\$ 1,241,028	\$ 1,217,768	\$ 1,316,709	\$ 98,941

CITY OF WYOMING, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
PARKS AND RECREATION FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 2,853,000	\$ 2,853,000	\$ 2,813,575	\$ (39,425)
Industrial/commercial facilities	95,300	95,300	94,327	(973)
Service charges in lieu of taxes	2,600	2,600	2,504	(96)
Intergovernmental:				
State grants	-	6,450	2,795	(3,655)
County grants	22,210	62,365	60,116	(2,249)
Local grants	6,500	172,050	54,103	(117,947)
Fees and service charges:				
Senior programs fees	1,250	4,840	8,738	3,898
Parks and recreation fees	277,500	277,500	226,585	(50,915)
Building rental	-	-	1,060	1,060
Investment earnings	28,800	28,800	32,868	4,068
Donations	19,230	21,320	13,005	(8,315)
Miscellaneous	4,000	4,000	11,300	7,300
Total revenues	3,310,390	3,528,225	3,320,976	(207,249)
Expenditures:				
Health and welfare:				
Nutrition program	3,000	14,200	12,074	2,126
Senior wellness program	24,160	58,565	50,397	8,168
Recreation and culture:				
Parks:				
Administration	617,340	619,340	588,661	30,679
Park facilities	1,591,010	1,966,660	1,468,413	498,247
Jackson park swimming pool	109,200	98,200	79,914	18,286
Senior center (north)	345,160	357,780	318,936	38,844
Recreation	619,740	627,690	541,010	86,680
Hot Streetz run	15,830	15,830	10,451	5,379
Total expenditures	3,325,440	3,758,265	3,069,856	688,409
Net change in fund balance	(15,050)	(230,040)	251,120	481,160
FUND BALANCE , beginning of year, as restated	466,720	466,720	466,720	-
FUND BALANCE , end of year	\$ 451,670	\$ 236,680	\$ 717,840	\$ 481,160

CITY OF WYOMING, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Federal grants	\$ 588,000	\$ 1,364,008	\$ 67,661	\$ (1,296,347)
Building rental	-	-	-	-
Loan repayments	-	-	148,058	148,058
Miscellaneous	-	-	764,441	764,441
	<u>588,000</u>	<u>1,364,008</u>	<u>980,160</u>	<u>(383,848)</u>
Total revenues				
Expenditures:				
Health and welfare:				
Community development:				
Administration	156,120	218,380	124,076	94,304
Rehabilitation	394,880	797,462	620,176	177,286
Fair housing	17,000	25,000	25,000	-
Clearance activities	5,000	80,278	61,291	18,987
Relocation	5,000	5,000	-	5,000
Acquisition	-	259,080	749	258,331
Disposition	11,000	11,000	-	11,000
Community action	62,000	233,788	14,280	219,508
Recreation and culture:				
Parks:				
Park facilities	25,000	460,000	157,735	302,265
	<u>676,000</u>	<u>2,089,988</u>	<u>1,003,307</u>	<u>1,086,681</u>
Total expenditures				
Deficiency of revenues under expenditures	(88,000)	(725,980)	(23,147)	702,833
Other financing sources:				
Transfers in:				
General Fund	-	-	23,147	23,147
Total other financing sources	-	-	23,147	23,147
Net change in fund balance	(88,000)	(725,980)	-	725,980
FUND BALANCE, beginning of year	-	-	-	-
FUND BALANCE (DEFICIT), end of year	<u>\$ (88,000)</u>	<u>\$ (725,980)</u>	<u>\$ -</u>	<u>\$ 725,980</u>

Nonmajor Governmental Funds

CITY OF WYOMING, MICHIGAN
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Fire Fund

To account for capital improvements and contributions to the General Fund for operations of the Fire Department. This fund is financed by a special tax levy.

Police Fund

To account for capital improvements and contributions to the General Fund for operations of the Police Department. This fund is financed by a special tax levy.

Sidewalk Snow Removal Fund

To account for the removal of snow from all City sidewalks. This fund is financed by a special tax levy.

Yard Waste Disposal Fund

To account for the disposal of yard waste. This fund is financed by a special tax levy.

Building Inspections Fund

To account for operations of building inspections department. The establishment of a separate fund was required by Public Act 245 of 1999. Financing is provided primarily by permit fees.

Drug Law Enforcement Fund

To account for revenue earmarked for drug law enforcement under the provisions of Public Act 135 of 1985 being Section 333.7523 of the Compiled Laws of 1979, as amended.

Library Fund

To account for the operation and maintenance of a public library facility. This fund is financed by a special tax millage.

DEBT SERVICE FUNDS

1964 Water Supply Bonds Fund

To account for the retirement of 1964 Water Supply bond obligations. Financing is provided by a General Obligation Bonded Tax levy.

1961 and 1963 Sewage Disposal Bonds Fund

To account for the retirement of 1961 and 1963 Sewage Disposal bond obligations. Financing is provided by a General Obligation Bonded Tax levy.

2000 General Obligation Library Bonds Fund

To account for the retirement of General Obligation Library bonds issued in 2000 for library building construction. Financing is provided by a General Obligation Bonded Tax levy.

1996, 1997 and 1998 General Obligation Limited Tax Bonds Fund

To account for the retirement of General Obligation Limited Tax bonds issued in 1996 and 1997 for street construction and improvements. Monies for debt service are transferred from capital improvement millage levies.

1996, 1997 and 1998 Special Assessment Bonds Fund

To account for the retirement of Special Assessment bonds issued in 1996 and 1997 for street construction and improvements, including water and sewer main replacements and extensions. Financing is provided by special assessments on the benefiting property.

Michigan Transportation Fund - Local and Major Street Funds

To account for the retirement of Michigan Transportation Fund bonds issued for street construction and improvements. Although Act 51 monies are obligated for this purpose, debt service is being financed by capital improvement millage levies.

Building Authority Bonds Fund

To account for the retirement of City of Wyoming Building Authority bonds for Motor Pool, Fire, Police, and other municipal building projects.

CAPITAL PROJECTS FUND

City Hall Building Fund

To account for funds and capital expenditures to remodel and expand the existing City Hall building.

CITY OF WYOMING, MICHIGAN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2004

	Special Revenue Funds					
Assets	Fire	Police	Sidewalk Snow Removal	Yard Waste Fund	Building Inspections	Drug Law Enforcement
Cash and cash equivalents	\$ 10	\$ 10	\$ 18,030	\$ 12,030	\$ 4,160	\$ 17,757
Investments	89	89	166,186	110,882	38,344	163,676
Receivables (net of allowance for uncollectibles):						
Accounts	-	-	-	-	30,410	-
Accrued interest	1	1	1,503	1,003	347	1,481
Total assets	\$ 100	\$ 100	\$ 185,719	\$ 123,915	\$ 73,261	\$ 182,914
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ 125	\$ 7,378	\$ -
Deposits	-	-	-	-	33,840	528
Total liabilities	-	-	-	125	41,218	528
Fund balances:						
Reserved for encumbrances	-	-	18,610	4,540	-	-
Unreserved:						
Designated for:						
Debt service	-	-	-	-	-	-
Subsequent fiscal year	-	-	-	-	-	61,800
Undesignated	100	100	167,109	119,250	32,043	120,586
Total fund balance	100	100	185,719	123,790	32,043	182,386
Total liabilities and and fund balances	\$ 100	\$ 100	\$ 185,719	\$ 123,915	\$ 73,261	\$ 182,914

Debt Service Funds								
Library	1964 Water Supply Bonds	1961 and 1963 Sewage Disposal Bonds	2000 General Obligation Library Bonds	1996, 1997 and 1998 General Obligation Limited Tax Bonds	1996, 1997 and 1998 Special Assessment Bonds	Michigan Transportation Fund - Major Street	Michigan Transportation Fund - Local Street	Building Authority Bonds
\$ 135,465 1,248,627	\$ 1,757 16,199	\$ 127 1,173	\$ 17,560 161,856	\$ - -	\$ - -	\$ - -	\$ - -	\$ 3,000 -
- 11,296	- 147	- 11	- 1,464	- -	- -	- -	- -	- -
<u>\$ 1,395,388</u>	<u>\$ 18,103</u>	<u>\$ 1,311</u>	<u>\$180,880</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>
\$ 8,531 -	\$ 1,186 -	\$ - -	\$ 4,202 -	\$ - -	\$ - -	\$ - -	\$ - -	\$ - -
<u>8,531</u>	<u>1,186</u>	<u>-</u>	<u>4,202</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5,000	-	-	-	-	-	-	-	-
- 84,790 1,297,067	16,917 - -	1,311 - -	176,678 - -	- - -	- - -	- - -	- - -	3,000 - -
<u>1,386,857</u>	<u>16,917</u>	<u>1,311</u>	<u>176,678</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
<u>\$ 1,395,388</u>	<u>\$ 18,103</u>	<u>\$ 1,311</u>	<u>\$180,880</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>

(Continued)

CITY OF WYOMING, MICHIGAN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2004
(Continued)

	<u>Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>	<u>Building Fund - City Hall</u>	
Cash and cash equivalents	\$ 6,638	\$ 216,544
Investments	61,188	1,968,309
Receivables (net of allowance for uncollectibles):		
Accounts	-	30,410
Accrued interest	554	17,808
Total assets	<u>\$ 68,380</u>	<u>\$ 2,233,071</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	\$ 56,380	\$ 77,802
Deposits	-	34,368
Total liabilities	<u>56,380</u>	<u>112,170</u>
Fund balances:		
Reserved for encumbrances	12,000	40,150
Unreserved:		
Designated for:		
Debt service	-	197,906
Subsequent fiscal year	-	146,590
Undesignated	-	1,736,255
Total fund balance	<u>12,000</u>	<u>2,120,901</u>
Total liabilities and and fund balances	<u>\$ 68,380</u>	<u>\$ 2,233,071</u>

CITY OF WYOMING, MICHIGAN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2004

	Special Revenue Funds					
	Fire	Police	Sidewalk Snow Removal	Yard Waste Fund	Building Inspections	Drug Law Enforcement
Revenues:						
Taxes	\$ 1,455,151	\$ 2,425,334	\$ 310,704	\$ 329,936	\$ -	\$ -
Licenses and permits	-	-	-	-	1,106,698	-
Fees and service charges	-	-	-	-	142,550	-
Fines and forfeitures	-	-	-	-	-	70,262
Building rental	-	-	-	-	-	-
Investment earnings	12,449	20,771	7,080	4,392	(1,380)	2,540
Miscellaneous	-	-	-	2,695	-	-
Total revenues	<u>1,467,600</u>	<u>2,446,105</u>	<u>317,784</u>	<u>337,023</u>	<u>1,247,868</u>	<u>72,802</u>
Expenditures:						
Current:						
Public safety	-	-	-	-	1,192,693	-
Public works	-	-	348,174	288,271	20,111	-
Recreation and culture	-	-	-	-	-	-
Miscellaneous	-	-	-	-	9,291	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal agent fees	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>348,174</u>	<u>288,271</u>	<u>1,222,095</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,467,600</u>	<u>2,446,105</u>	<u>(30,390)</u>	<u>48,752</u>	<u>25,773</u>	<u>72,802</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	<u>(1,467,600)</u>	<u>(2,446,105)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(59,180)</u>
Total other financing sources (uses)	<u>(1,467,600)</u>	<u>(2,446,105)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(59,180)</u>
Net change in fund balances	-	-	(30,390)	48,752	25,773	13,622
FUND BALANCES, beginning of year	<u>100</u>	<u>100</u>	<u>216,109</u>	<u>75,038</u>	<u>6,270</u>	<u>168,764</u>
FUND BALANCES, end of year	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 185,719</u>	<u>\$ 123,790</u>	<u>\$ 32,043</u>	<u>\$ 182,386</u>

Debt Service Funds								
Library	1964 Water Supply Bonds	1961 and 1963 Sewage Disposal Bonds	2000 General Obligation Library Bonds	1996, 1997 and 1998 General Obligation Limited Tax Bonds	1996, 1997 and 1998 Special Assessment Bonds	Michigan Transportation Fund - Major Street	Michigan Transportation Fund - Local Street	Building Authority Bonds
\$ 194,436	\$ 173,433	\$ (96)	\$ 616,762	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
7,924	-	-	-	-	-	-	-	-
25,904	5,249	77	9,074	-	-	-	-	1,617,194
80,636	-	-	-	-	-	-	-	-
308,900	178,682	(19)	625,836	-	-	-	-	1,617,194
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
352,965	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	325,000	-	300,000	123,716	320,000	459,361	300,639	735,000
-	232	-	284,319	57,893	144,548	274,452	153,426	882,194
352,965	325,232	-	584,319	181,609	464,548	733,813	454,065	1,617,194
(44,065)	(146,550)	(19)	41,517	(181,609)	(464,548)	(733,813)	(454,065)	-
-	-	-	-	181,609	464,548	733,813	454,065	-
-	-	-	-	-	-	-	-	-
-	-	-	-	181,609	464,548	733,813	454,065	-
(44,065)	(146,550)	(19)	41,517	-	-	-	-	-
1,430,922	163,467	1,330	135,161	-	-	-	-	3,000
<u>\$ 1,386,857</u>	<u>\$ 16,917</u>	<u>\$ 1,311</u>	<u>\$ 176,678</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>

(Continued)

CITY OF WYOMING, MICHIGAN
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2004
 (Continued)

	<u>Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Building Fund - City Hall</u>	
Revenues:		
Taxes	\$ -	\$ 5,505,660
Licenses and permits	-	1,106,698
Fees and service charges	-	142,550
Fines and forfeitures	-	70,262
Building rental	-	1,625,118
Investment earnings	22,930	109,086
Miscellaneous	-	83,331
Total revenues	<u>22,930</u>	<u>8,642,705</u>
Expenditures:		
Current:		
Public safety	-	1,192,693
Public works	-	656,556
Recreation and culture	-	352,965
Miscellaneous	-	9,291
Capital outlay	344,305	344,305
Debt service:		
Principal retirement	-	2,563,716
Interest and fiscal agent fees	-	1,797,064
Total expenditures	<u>344,305</u>	<u>6,916,590</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(321,375)</u>	<u>1,726,115</u>
Other financing sources (uses):		
Transfers in	-	1,834,035
Transfers out	<u>(866,058)</u>	<u>(4,838,943)</u>
Total other financing sources (uses)	<u>(866,058)</u>	<u>(3,004,908)</u>
Net change in fund balances	(1,187,433)	(1,278,793)
FUND BALANCES, beginning of year	<u>1,199,433</u>	<u>3,399,694</u>
FUND BALANCES, end of year	<u>\$ 12,000</u>	<u>\$ 2,120,901</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
FIRE FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 1,426,000	\$ 1,426,000	\$ 1,406,736	\$ (19,264)
Industrial/commercial facilities	47,700	47,700	47,163	(537)
Service charges in lieu of taxes	1,100	1,100	1,252	152
Investment earnings	8,200	8,200	12,449	4,249
Total revenues	1,483,000	1,483,000	1,467,600	(15,400)
Other financing uses:				
Transfers out:				
General Fund	(1,483,000)	(1,483,000)	(1,467,600)	15,400
Net change in fund balance	-	-	-	-
FUND BALANCE, beginning of year	100	100	100	-
FUND BALANCE, end of year	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ -</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
POLICE FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 2,377,000	\$ 2,377,000	\$ 2,344,642	\$ (32,358)
Industrial/commercial facilities	79,400	79,400	78,606	(794)
Service charges in lieu of taxes	2,000	2,000	2,086	86
Investment earnings	14,800	14,800	20,771	5,971
Total revenues	2,473,200	2,473,200	2,446,105	(27,095)
Other financing uses:				
Transfers out:				
General Fund	(2,473,200)	(2,473,200)	(2,446,105)	27,095
Net change in fund balance	-	-	-	-
FUND BALANCE, beginning of year	100	100	100	-
FUND BALANCE, end of year	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ -</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
SIDEWALK SNOW REMOVAL FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 304,000	\$ 304,000	\$ 300,382	\$ (3,618)
Industrial/commercial facilities	10,100	10,100	10,055	(45)
Service charges in lieu of taxes	300	300	267	(33)
Investment earnings	6,400	6,400	7,080	680
Total revenues	<u>320,800</u>	<u>320,800</u>	<u>317,784</u>	<u>(3,016)</u>
Expenditures:				
Public works:				
Highways and streets:				
Administration	22,080	22,080	22,080	-
Sidewalks	289,880	341,480	326,094	15,386
Total expenditures	<u>311,960</u>	<u>363,560</u>	<u>348,174</u>	<u>15,386</u>
Excess of revenues over expenditures	8,840	(42,760)	(30,390)	12,370
FUND BALANCE, beginning of year	<u>216,109</u>	<u>216,109</u>	<u>216,109</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 224,949</u>	<u>\$ 173,349</u>	<u>\$ 185,719</u>	<u>\$ 12,370</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
YARD WASTE FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 323,000	\$ 323,000	\$ 318,920	\$ (4,080)
Industrial/commercial facilities	10,800	10,800	10,732	(68)
Service charges in lieu of taxes	100	100	284	184
Trailer rental	3,500	3,500	2,695	(805)
Investment earnings	2,000	2,000	4,392	2,392
Total revenues	339,400	339,400	337,023	(2,377)
Expenditures:				
Public works:				
Highways and streets:				
Administration	23,880	23,880	23,880	-
Leaf disposal	258,750	338,750	264,391	74,359
Total expenditures	282,630	362,630	288,271	74,359
Excess of revenues over expenditures	56,770	(23,230)	48,752	71,982
FUND BALANCE, beginning of year	75,038	75,038	75,038	-
FUND BALANCE, end of year	<u>\$ 131,808</u>	<u>\$ 51,808</u>	<u>\$ 123,790</u>	<u>\$ 71,982</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
BUILDING INSPECTIONS FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits:				
Building permits	\$ 1,146,000	\$ 1,146,000	\$ 757,080	\$ (388,920)
Electrical permits	148,000	148,000	143,018	(4,982)
Mechanical permits	124,000	124,000	102,557	(21,443)
Plumbing and sewer permits	82,000	82,000	84,558	2,558
Other permits	20,000	20,000	13,470	(6,530)
Business licenses	4,000	4,000	6,015	2,015
Fees and service charges:				
Rental registration fees	70,000	70,000	98,016	28,016
Weed control fees	40,000	40,000	44,534	4,534
Investment earnings	1,500	1,500	(1,380)	(2,880)
Total revenues	1,635,500	1,635,500	1,247,868	(387,632)
Expenditures:				
Public safety:				
Inspections	1,228,890	1,228,890	1,123,573	105,317
Administration	69,120	69,120	69,120	-
Public works:				
Sanitation-weed control	31,010	31,010	20,111	10,899
Miscellaneous:				
Compensated absences	2,900	2,900	9,291	(6,391)
Total expenditures	1,331,920	1,331,920	1,222,095	109,825
Net change in fund balance	303,580	303,580	25,773	(277,807)
FUND BALANCE, beginning of year as restated	6,270	6,270	6,270	-
FUND BALANCE, end of year	<u>\$ 309,850</u>	<u>\$ 309,850</u>	<u>\$ 32,043</u>	<u>\$ (277,807)</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
DRUG LAW ENFORCEMENT FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures:				
Forfeitures	\$ 22,000	\$ 22,000	\$ 70,262	\$ 48,262
Investment earnings	3,300	3,300	2,540	(760)
Total revenues	25,300	25,300	72,802	47,502
Other financing uses:				
Transfers out:				
General Fund	(30,000)	(59,180)	(59,180)	-
Net change in fund balance	(4,700)	(33,880)	13,622	47,502
FUND BALANCE, beginning of year	168,764	168,764	168,764	-
FUND BALANCE, end of year	<u>\$ 164,064</u>	<u>\$ 134,884</u>	<u>\$ 182,386</u>	<u>\$ 47,502</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
SPECIAL REVENUE FUND
LIBRARY FUND
Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property	\$ 190,000	\$ 190,000	\$ 187,945	\$ (2,055)
Industrial/commercial facilities	6,300	6,300	6,264	(36)
Service charges in lieu of taxes	400	400	227	(173)
Building rental	8,420	8,420	7,924	(496)
Investment earnings	26,200	26,200	25,904	(296)
Miscellaneous	41,020	41,020	80,636	39,616
Total revenues	<u>272,340</u>	<u>272,340</u>	<u>308,900</u>	<u>36,560</u>
Expenditures:				
Recreation and culture:				
Building and grounds	368,680	396,940	312,765	84,175
Administration	40,200	40,200	40,200	-
Total expenditures	<u>408,880</u>	<u>437,140</u>	<u>352,965</u>	<u>84,175</u>
Net change in fund balance	(136,540)	(164,800)	(44,065)	120,735
FUND BALANCE, beginning of year	<u>1,430,922</u>	<u>1,430,922</u>	<u>1,430,922</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 1,294,382</u>	<u>\$ 1,266,122</u>	<u>\$ 1,386,857</u>	<u>\$ 120,735</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
DEBT SERVICE FUND
1964 WATER SUPPLY BONDS FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
General property taxes	\$ 171,000	\$ 171,000	\$ 167,576	\$ (3,424)
Industrial/commercial facilities tax	5,700	5,700	5,647	(53)
Service charges in lieu of taxes	200	200	210	10
Total taxes	176,900	176,900	173,433	(3,467)
Investment earnings	4,100	4,100	5,249	1,149
Total revenues	181,000	181,000	178,682	(2,318)
Expenditures:				
Debt service:				
Principal retirement	325,000	325,000	325,000	-
Interest on bonds	300	300	203	97
Fiscal agent fees	100	100	29	71
Total expenditures	325,400	325,400	325,232	168
Deficiency of revenues under expenditures	(144,400)	(144,400)	(146,550)	(2,150)
FUND BALANCE, beginning of year	163,467	163,467	163,467	-
FUND BALANCE, end of year	<u>\$ 19,067</u>	<u>\$ 19,067</u>	<u>\$ 16,917</u>	<u>\$ (2,150)</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
DEBT SERVICE FUND
1961 AND 1963 SEWAGE DISPOSAL BONDS FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
General property taxes	\$ -	\$ -	\$ (44)	\$ (44)
Industrial/commercial facilities tax	-	-	(52)	(52)
Service charges in lieu of taxes	-	-	-	-
Total taxes	-	-	(96)	(96)
Investment earnings	-	-	77	77
Deficiency of revenues over expenditures	-	-	(19)	(19)
FUND BALANCE, beginning of year	1,330	1,330	1,330	-
FUND BALANCE, end of year	<u>\$ 1,330</u>	<u>\$ 1,330</u>	<u>\$ 1,311</u>	<u>\$ (19)</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
DEBT SERVICE FUND
2000 GENERAL OBLIGATION LIBRARY BONDS FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
General property taxes	\$ 608,000	\$ 608,000	\$ 596,104	\$ (11,896)
Industrial/commercial facilities tax	20,300	20,300	20,124	(176)
Service charges in lieu of taxes	400	400	534	134
Total taxes	628,700	628,700	616,762	(11,938)
Investment earnings	6,100	6,100	9,074	2,974
Total revenues	634,800	634,800	625,836	(8,964)
Expenditures:				
Debt service:				
Principal retirement	300,000	300,000	300,000	-
Interest on bonds	284,100	284,100	284,044	56
Fiscal agent fees	300	300	275	25
Total expenditures	584,400	584,400	584,319	81
Excess of revenues over expenditures	50,400	50,400	41,517	(8,883)
FUND BALANCE, beginning of year	135,161	135,161	135,161	-
FUND BALANCE, end of year	<u>\$ 185,561</u>	<u>\$ 185,561</u>	<u>\$ 176,678</u>	<u>\$ (8,883)</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
DEBT SERVICE FUND
1996, 1997 and 1998 GENERAL OBLIGATION LIMITED TAX BONDS FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Debt service:				
Principal retirement	123,800	123,800	123,716	84
Interest on bonds	59,200	59,200	57,339	1,861
Fiscal agent fees	700	700	554	146
	<u>183,700</u>	<u>183,700</u>	<u>181,609</u>	<u>2,091</u>
Total expenditures				
	<u>183,700</u>	<u>183,700</u>	<u>181,609</u>	<u>2,091</u>
Deficiency of revenues under expenditures	(183,700)	(183,700)	(181,609)	2,091
Other financing sources:				
Transfers in:				
Capital Improvement Fund	183,700	183,700	181,609	(2,091)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
DEBT SERVICE FUND
1996, 1997, 1998 and 2002 SPECIAL ASSESSMENT BONDS FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Debt service:				
Principal retirement	235,000	320,000	320,000	-
Interest on bonds	102,000	148,100	143,373	4,727
Fiscal agent fees	1,000	1,300	1,175	125
Total expenditures	338,000	469,400	464,548	4,852
Deficiency of revenues under expenditures	(338,000)	(469,400)	(464,548)	4,852
Other financing sources:				
Transfers in:				
Capital Projects Revolving Fund	338,000	469,400	464,548	(4,852)
Net change in fund balance	-	-	-	-
FUND BALANCE, beginning of year	-	-	-	-
FUND BALANCE, end of year	\$ -	\$ -	\$ -	\$ -

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
DEBT SERVICE FUND
MICHIGAN TRANSPORTATION FUND - MAJOR STREET
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Debt service:				
Principal retirement	399,480	459,480	459,361	119
Interest on bonds	224,400	274,600	274,452	148
Fiscal agent fees	1,300	1,600	-	1,600
Total expenditures	<u>625,180</u>	<u>735,680</u>	<u>733,813</u>	<u>1,867</u>
Deficiency of revenues under expenditures	(625,180)	(735,680)	(733,813)	1,867
Other financing sources:				
Transfers in:				
Capital Improvement Fund	<u>625,180</u>	<u>735,680</u>	<u>733,813</u>	<u>(1,867)</u>
Net change in fund balance	-	-	-	-
FUND BALANCE, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
DEBT SERVICE FUND
MICHIGAN TRANSPORTATION FUND - LOCAL STREET
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Debt service:				
Principal retirement	300,800	300,800	300,639	161
Interest on bonds	153,600	153,600	153,426	174
Fiscal agent fees	500	500	-	500
Total expenditures	454,900	454,900	454,065	835
Deficiency of revenues under expenditures	(454,900)	(454,900)	(454,065)	835
Other financing sources:				
Transfers in:				
Capital Improvement Fund	454,900	454,900	454,065	(835)
Net change in fund balance	-	-	-	-
FUND BALANCE, beginning of year	-	-	-	-
FUND BALANCE, end of year	\$ -	\$ -	\$ -	\$ -

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
DEBT SERVICE FUND
BUILDING AUTHORITY BONDS FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Building rental	\$ 1,626,500	\$ 1,626,500	\$ 1,617,194	\$ (9,306)
Expenditures:				
Debt service:				
Principal retirement	790,000	790,000	735,000	55,000
Interest on bonds	834,100	834,100	881,644	(47,544)
Fiscal agent fees	1,900	1,900	550	1,350
Total expenditures	1,626,000	1,626,000	1,617,194	8,806
Excess of revenues over expenditures	500	500	-	(500)
FUND BALANCE, beginning of year	3,000	3,000	3,000	-
FUND BALANCE, end of year	\$ 3,500	\$ 3,500	\$ 3,000	\$ (500)

CITY OF WYOMING, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
CAPITAL PROJECTS FUND
CITY HALL BUILDING FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 22,930	\$ 22,930
Expenditures:				
Capital outlay:				
Building	-	115,250	114,233	1,017
Furniture and equipment	-	241,950	229,408	12,542
Professional services	-	14,170	664	13,506
Contingency	-	826,290	-	826,290
Total expenditures	-	1,197,660	344,305	853,355
Deficiency of revenues under expenditures	-	(1,197,660)	(321,375)	876,285
Other financing uses:				
Transfers out:				
Special Assessment Fund	-	-	(866,058)	(866,058)
Total other financing sources	-	-	(866,058)	(866,058)
Net change in fund balance	-	(1,197,660)	(1,187,433)	10,227
FUND BALANCE, beginning of year	<u>1,199,433</u>	<u>1,199,433</u>	<u>1,199,433</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 1,199,433</u>	<u>\$ 1,773</u>	<u>\$ 12,000</u>	<u>\$ 10,227</u>

Other Supplementary Information

CITY OF WYOMING, MICHIGAN
SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION
ENTERPRISE FUND
WATER FUND
Year Ended June 30, 2004

	Assets			
	Balance July 1, 2003	Additions	Deletions	Balance June 30, 2004
Land	\$ 1,605,222	\$ 53,000	\$ -	\$ 1,658,222
Building and improvements	7,048,134	8,578,732	-	15,626,866
Improvements other than buildings:				
Water mains	29,804,898	956,996	1,047	30,760,847
Sewer Mains				140,655
Water towers & reservoirs	12,394,614			(262,939)
Treatment plant	1,827,566		1,225	12,131,675
Services	3,844,010	109,365		1,948,625
Line hydrants	397,767	32,830	-	3,953,375
Electrical Substation	-	752,055	1,000	-
Intake main	-	-	-	429,597
	33,259,948	-	-	752,055
	81,528,803	1,851,246	3,272	33,259,948
				83,376,777
Machinery and equipment:				
Treatment	3,704,410	-	-	3,704,410
Pumping	7,137,296	-	-	7,137,296
Laboratory	329,068	19,026	13,854	334,240
Tools and working	153,884	109,200	5,652	257,432
Furniture and fixtures	297,793	17,824	67,701	247,916
Power operated	89,946	1,875	3,834	87,987
Vehicles	4,894	-	1,450	3,444
Other	403,192	39,822	11,596	431,418
	12,120,483	187,747	104,087	12,204,143
Construction in progress	11,261,693	2,865,287	11,261,694	2,865,286
	\$ 113,564,335	\$ 13,536,012	\$ 11,369,053	\$ 115,731,294

Balance July 1, 2003	Depreciation			Balance June 30, 2004	Net Book Value	Estimated Useful Lives In Years
	Depreciation	Deletions	Transfer			
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,658,222	
5,309,093	189,893	-	-	5,498,986	10,127,880	40
8,849,222	453,922	1,047	-	9,302,097	21,458,750	66
-	3,103	-	3,103	6,206	134,449	40
3,286,561	408,130	-	(3,103)	3,694,691	8,436,984	40
1,078,383	53,915	1,225	-	1,131,073	817,552	20
3,093,064	71,743	-	-	3,164,807	788,568	66
103,192	6,784	1,000	-	108,976	320,621	66
-	-	-	-	-	752,055	66
7,691,494	532,373	-	-	8,223,867	25,036,081	10-40
24,101,916	1,529,970	3,272	-	25,628,614	57,748,163	
2,957,785	57,433	-	-	3,015,218	689,192	20-40
4,758,284	282,861	-	-	5,041,145	2,096,151	5-10
244,228	19,285	13,853	-	249,660	84,580	5-10
117,269	12,164	5,653	-	123,780	133,652	5-10
238,030	25,196	67,701	-	195,525	52,391	5-10
67,751	3,950	3,834	-	67,867	20,120	5-10
4,894	-	1,450	-	3,444	-	5-10
221,529	50,719	11,596	-	260,652	170,766	5-10
8,609,770	451,608	104,087	-	8,957,291	3,246,852	
-	-	-	-	-	2,865,286	
<u>\$ 38,020,779</u>	<u>\$ 2,171,471</u>	<u>\$ 107,359</u>	<u>\$ -</u>	<u>\$ 40,084,891</u>	<u>\$ 75,646,403</u>	

CITY OF WYOMING, MICHIGAN
SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION
ENTERPRISE FUND
SEWER FUND
Year Ended June 30, 2004

	Assets		
	Balance July 1, 2003	Additions	Balance June 30, 2004
Land	\$ 194,284	\$ 284,267	\$ 478,551
Building and improvements	15,945,973	-	15,945,973
Improvements other than buildings:			
Sewer mains	43,573,535	695,148	44,268,683
Lift stations	57,165	-	57,165
Electrical Substation	-	647,300	647,300
Disposal plant	7,977,217	-	7,948,917
	51,607,917	1,342,448	52,922,065
Machinery and equipment:			
Treatment	6,651,251	-	6,651,251
Pumping	728,688	-	728,688
Laboratory	859,035	-	820,077
Tools and working	170,688	8,407	165,352
Office	263,445	18,833	238,439
Vehicles	15,200	4,390	19,590
Other	361,771	1,684	350,841
	9,050,078	33,314	8,974,238
Construction in progress	1,851,615	518,710	1,863,958
	<u>\$ 78,649,867</u>	<u>\$ 2,178,739</u>	<u>\$ 80,184,785</u>

Depreciation				Net Book Value	Estimated Useful Lives In Years
Balance July 1, 2003	Depreciation	Deletions	Balance June 30, 2004		
\$ -	\$ -	\$ -	\$ -	\$ 478,551	
8,706,477	855,980	-	9,562,457	6,383,516	10-40
12,309,959	660,834	-	12,970,793	31,297,890	66
25,388	866	-	26,254	30,911	66
-	-	-	-	647,300	66
3,339,418	508,618	28,300	3,819,736	4,129,181	40
15,674,765	1,170,318	28,300	16,816,783	36,105,282	
4,607,504	225,503	-	4,833,007	1,818,244	5-10
433,904	21,539	-	455,443	273,245	5-10
681,445	45,220	38,958	687,707	132,370	5-10
129,463	9,007	13,743	124,727	40,625	5-10
171,771	41,917	43,840	169,848	68,591	5-10
15,200	-	-	15,200	4,390	5-10
269,074	31,370	12,613	287,831	63,010	5-10
6,308,361	374,556	109,154	6,573,763	2,400,475	
-	-	-	-	1,863,958	
<u>\$ 30,689,603</u>	<u>\$ 2,400,854</u>	<u>\$ 137,454</u>	<u>\$ 32,953,003</u>	<u>\$ 47,231,782</u>	

CITY OF WYOMING, MICHIGAN
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
June 30, 2004

<u>Assets</u>	Motor Pool Fund	Insurance Fund	Total
Current assets:			
Cash and cash equivalents	\$ 222,740	\$ 829,669	\$ 1,052,409
Investments	2,053,057	4,140,252	6,193,309
Accrued interest receivable	18,573	37,455	56,028
Inventory	36,837		36,837
Prepaid items	-	203,540	203,540
Total current assets	<u>2,331,207</u>	<u>5,210,916</u>	<u>7,542,123</u>
Restricted assets:			
Cash and cash equivalents	139,036	-	139,036
Investments	1,281,533	-	1,281,533
Accrued interest receivable	11,592	-	11,592
Total restricted assets	<u>1,432,161</u>	<u>-</u>	<u>1,432,161</u>
Capital assets:			
Property and equipment	16,154,042	-	16,154,042
Less allowance for depreciation	9,191,591	-	9,191,591
Net capital assets	<u>6,962,451</u>	<u>-</u>	<u>6,962,451</u>
Total assets	<u>10,725,819</u>	<u>5,210,916</u>	<u>15,936,735</u>
 <u>Liabilities</u>			
Current liabilities:			
Accounts payable	479,089	588,314	1,067,403
Accrued interest payable	1,422	-	1,422
Due to other governmental units		26	26
Current portion:			
Notes payable	199,750	-	199,750
Compensated absences, workers' compensation and death benefits	13,869	249,755	263,624
Total current liabilities	<u>694,130</u>	<u>838,095</u>	<u>1,532,225</u>
Long-term liabilities (net of current portion):			
Notes payable	199,750	-	199,750
Compensated absences, workers' compensation and death benefits	89,969	1,693,474	1,783,443
Total long-term liabilities	<u>289,719</u>	<u>1,693,474</u>	<u>1,983,193</u>
Total liabilities	<u>983,849</u>	<u>2,531,569</u>	<u>3,515,418</u>
 <u>Net Assets</u>			
Invested in capital assets, net of related debt	6,562,951	-	6,562,951
Unrestricted	3,179,019	2,679,347	5,858,366
Total net assets	<u>\$ 9,741,970</u>	<u>\$ 2,679,347</u>	<u>\$ 12,421,317</u>

CITY OF WYOMING, MICHIGAN
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
 Year Ended June 30, 2004

	Motor Pool Fund	Insurance Fund	Total
Operating revenues:			
Charges for services	\$ 12,725	\$ -	\$ 12,725
Equipment rentals	2,794,858	-	2,794,858
Building rentals	281,040	-	281,040
Premiums	-	8,736,815	8,736,815
Total operating revenues	3,088,623	8,736,815	11,825,438
Operating expenses:			
Administrative and general	359,419	481,993	841,412
Equipment and building operations	2,065,245	-	2,065,245
Depreciation	1,201,874	-	1,201,874
Insurance claims and premiums	-	6,848,517	6,848,517
Total operating expenses	3,626,538	7,330,510	10,957,048
Operating loss	(537,915)	1,406,305	868,390
Nonoperating revenue (expense):			
Investment earnings	57,592	72,592	130,184
Interest expense	(25,997)	(117,634)	(143,631)
Gain on disposal of fixed assets	147,901	-	147,901
Miscellaneous income	2,868	-	2,868
Total nonoperating revenue	182,364	(45,042)	137,322
Income (loss) before capital contributions	(355,551)	1,361,263	1,005,712
Capital contributions	2,112	-	2,112
Change in net assets	(353,439)	1,361,263	1,007,824
Net assets, beginning of year	10,095,409	1,318,084	11,413,493
Net assets, end of year	\$ 9,741,970	\$ 2,679,347	\$ 12,421,317

CITY OF WYOMING, MICHIGAN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended June 30, 2004

	Motor Pool Fund	Insurance Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 3,088,623	\$ 8,737,137	\$ 11,825,760
Payment to suppliers	(732,435)	(6,895,361)	(7,627,796)
Payment to employees	(654,202)	(189,245)	(843,447)
Payments to internal service funds and administrative fees	(677,211)	(293,446)	(970,657)
Other receipts	2,868	19,965	22,833
Net cash provided by operating activities	1,027,643	1,379,050	2,406,693
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(711,031)	-	(711,031)
Principal payments on bonds payable	(247,188)	-	(247,188)
Interest paid	(27,582)	(117,634)	(145,216)
Contributed capital	2,112	-	2,112
Proceeds from sale of capital assets	147,901	-	147,901
Net cash used by capital and related financing activities	(835,788)	(117,634)	(953,422)
Cash flows from investing activities:			
Investment earnings	52,955	59,247	112,202
Proceeds of maturing investments	1,318,748	714,632	2,033,380
Purchase of investments	(1,548,114)	(1,922,151)	(3,470,265)
Net cash used by investing activities	(176,411)	(1,148,272)	(1,324,683)
Net increase in cash and equivalents	15,444	113,144	128,588
CASH AND EQUIVALENTS, beginning of year	346,332	716,525	1,062,857
CASH AND EQUIVALENTS, end of year	<u>\$ 361,776</u>	<u>\$ 829,669</u>	<u>\$ 1,191,445</u>
Noncash Investing Activities			
Change in fair value of investments	<u>\$ 229,366</u>	<u>\$ 1,207,519</u>	<u>\$ 1,436,885</u>
Reconciliation of operating loss to net cash used by operating activities:			
Operating income (loss)	\$ (537,915)	\$ 1,406,305	\$ 868,390
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation	1,201,874	-	1,201,874
Miscellaneous cash received	2,868	-	2,868
Changes in operating assets and liabilities:			
Due from other governmental units	-	322	322
Inventory	(16,337)	-	(16,337)
Prepaid items	-	5,267	5,267
Accounts payable	371,564	38,838	410,402
Compensated absences, death benefits, and worker's compensation	5,589	(71,682)	(66,093)
Net cash provided by operating activities	<u>\$ 1,027,643</u>	<u>\$ 1,379,050</u>	<u>\$ 2,406,693</u>

CITY OF WYOMING, MICHIGAN
SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION
INTERNAL SERVICE FUND
MOTOR POOL FUND
Year Ended June 30, 2004

	Assets			
	Balance July 1, 2003	Additions	Deletions	Balance June 30, 2004
Land	\$ 392,837	\$ -	\$ -	\$ 392,837
Building and improvements	3,119,050	16,720	-	3,135,770
Improvements other than buildings	611,949	-	5,359	606,590
Equipment	816,600	22,107	37,857	800,850
Vehicles	11,195,911	672,204	650,120	11,217,995
	<u>\$ 16,136,347</u>	<u>\$ 711,031</u>	<u>\$ 693,336</u>	<u>\$ 16,154,042</u>

Depreciation				Net Book Value	Estimated Useful Life In Years
Balance July 1, 2003	Depreciation	Deletions	Balance June 30, 2004		
\$ -	\$ -	\$ -	\$ -	\$ 392,837	
1,223,759	175,681	-	1,399,440	1,736,330	10-40
348,185	36,688	5,359	379,514	227,076	10-20
533,421	83,687	37,857	579,251	221,599	3-10
6,577,688	905,818	650,120	6,833,386	4,384,609	3-15
<u>\$ 8,683,053</u>	<u>\$ 1,201,874</u>	<u>\$ 693,336</u>	<u>\$ 9,191,591</u>	<u>\$ 6,962,451</u>	

CITY OF WYOMING, MICHIGAN
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUND
INSURANCE FUND
Year Ended June 30, 2004

	<u>General Liability</u>	<u>Fleet</u>	<u>Property</u>	<u>Floater</u>
Revenues:				
Premiums	\$ 337,335	\$ 155,600	\$ 181,890	\$ -
Investment earnings	<u>55,380</u>	<u>28,601</u>	<u>38,533</u>	<u>5,829</u>
Total revenues	<u>392,715</u>	<u>184,201</u>	<u>220,423</u>	<u>5,829</u>
Expenses:				
Administration and general	52,869	11,145	12,549	-
Interest	-	-	-	-
Insurance claims and premiums	<u>297,680</u>	<u>95,947</u>	<u>198,627</u>	<u>312</u>
Total expenses	<u>350,549</u>	<u>107,092</u>	<u>211,176</u>	<u>312</u>
Net income	42,166	77,109	9,247	5,517
Net assets, beginning of year	<u>1,503,651</u>	<u>748,891</u>	<u>1,056,353</u>	<u>157,731</u>
Net assets, end of year	<u>\$ 1,545,817</u>	<u>\$ 826,000</u>	<u>\$ 1,065,600</u>	<u>\$ 163,248</u>

<u>Life</u>	<u>Workers' Compensation</u>	<u>Health</u>	<u>Total</u>
\$ -	\$ 923,448	\$ 7,138,542	\$ 8,736,815
<u>7,389</u>	<u>70,364</u>	<u>(133,504)</u>	<u>72,592</u>
<u>7,389</u>	<u>993,812</u>	<u>7,005,038</u>	<u>8,809,407</u>
4,663	93,495	307,272	481,993
-	117,634	-	117,634
<u>38,417</u>	<u>330,639</u>	<u>5,886,895</u>	<u>6,848,517</u>
<u>43,080</u>	<u>541,768</u>	<u>6,194,167</u>	<u>7,448,144</u>
(35,691)	452,044	810,871	1,361,263
<u>221,334</u>	<u>1,711,325</u>	<u>(4,081,201)</u>	<u>1,318,084</u>
<u>\$ 185,643</u>	<u>\$ 2,163,369</u>	<u>\$ (3,270,330)</u>	<u>\$ 2,679,347</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND
AGENCY FUND
TAX COLLECTION FUND
Year Ended June 30, 2004

	<u>Balance</u> <u>July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2004</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 371,116	\$ 62,609,630	\$ 62,976,678	\$ 4,068
Investments	-	3,277	-	3,277
Taxes receivable	1,200,370	63,257,307	62,807,431	1,650,246
Accrued interest receivable	-	30	-	30
Total assets	<u>\$ 1,571,486</u>	<u>\$ 125,870,244</u>	<u>\$ 125,784,109</u>	<u>\$ 1,657,621</u>
<u>Liabilities</u>				
Due to other governmental units	<u>\$ 1,571,486</u>	<u>\$ 63,421,882</u>	<u>\$ 63,335,747</u>	<u>\$ 1,657,621</u>

CITY OF WYOMING, MICHIGAN
STATEMENT OF PLAN NET ASSETS
PENSION TRUST FUND
June 30, 2004

	<u>Pension</u>	<u>Health Care</u>	<u>Total</u>
Assets:			
Cash and short-term investments	\$ 3,461,676	\$ 199,945	\$ 3,661,621
Receivables:			
Interest and dividends	627,200	36,227	663,427
Unsettled trades	396,256	22,887	419,143
Total receivables	1,023,456	59,114	1,082,570
Investments, at fair value:			
Certificates of deposit	86,934	5,021	91,955
U.S. Government obligations	10,469,580	604,716	11,074,296
Municipal bonds	497,835	28,755	526,590
Domestic corporate bonds	30,082,899	1,737,569	31,820,468
Domestic stocks	44,796,980	2,587,445	47,384,425
Preferred stocks	2,962,078	171,088	3,133,166
Foreign stocks	2,318,635	133,923	2,452,558
Foreign bonds	1,188,274	68,634	1,256,908
Foreign preferred stocks	143,284	8,276	151,560
Mutual Funds	1,261,369	72,856	1,334,225
International stock mutual funds	11,169,307	645,132	11,814,439
Total investments	104,977,175	6,063,415	111,040,590
Total assets	109,462,307	6,322,474	115,784,781
Liabilities:			
Liability under securities lending	5,747,983	332,002	6,079,985
Refunds payable and other	368,017	21,256	389,273
Total liabilities	6,116,000	353,258	6,469,258
Net assets held in trust for pension benefits	<u>\$ 103,346,307</u>	<u>\$ 5,969,216</u>	<u>\$ 109,315,523</u>

CITY OF WYOMING, MICHIGAN
STATEMENTS OF CHANGES PLAN NET ASSETS
PENSION TRUST FUND
Year Ended June 30, 2004

	Pension	Health Care	Total
Additions:			
Contributions:			
Employer	\$ 1,496,346	\$ 1,771,160	\$ 3,267,506
Employee	72,743	-	72,743
Total contributions	1,569,089	1,771,160	3,340,249
Investment income:			
Net depreciation in fair value of investments	9,446,116	671,588	10,117,704
Interest	3,287,173	233,707	3,520,880
Other	83,906	5,965	89,871
Total investment income	12,817,195	911,260	13,728,455
Less investment expense	415,572	29,546	445,118
Net investment income	12,401,623	881,714	13,283,337
Total additions	13,970,712	2,652,874	16,623,586
Deductions:			
Benefits	4,470,589	-	4,470,589
Health care premium subsidies	-	1,197,641	1,197,641
Administrative expense	96,849	6,885	103,734
Total deductions	4,567,438	1,204,526	5,771,964
Net increase	9,403,274	1,448,348	10,851,622
Net assets held in trust for pension benefits:			
Beginning of year	93,943,033	4,520,868	98,463,901
End of year	\$ 103,346,307	\$ 5,969,216	\$ 109,315,523

CITY OF WYOMING, MICHIGAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL
CAPITAL PROJECTS FUND
CAPITAL IMPROVEMENT FUND
Year Ended June 30, 2004

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 3,553,000	\$ 3,553,000	\$ 3,503,449	\$ (49,551)
Industrial/commercial facilities tax	118,700	118,700	117,456	(1,244)
Service charges in lieu of taxes	3,200	3,200	3,118	(82)
Total taxes	3,674,900	3,674,900	3,624,023	(50,877)
Intergovernmental:				
Federal grants	2,100,000	3,600,000	124,375	(3,475,625)
Investment earnings	80,000	80,000	80,227	227
Storm sewer cost share	-	42,000	301,747	259,747
Miscellaneous	-	-	120,886	120,886
Total revenues	5,854,900	7,396,900	4,251,258	(3,145,642)
Expenditures:				
Capital outlay:				
Street improvements	4,120,000	9,972,383	3,232,895	6,739,488
Storm sewer improvements	200,000	379,450	45,930	333,520
Sanitary sewer improvements	280,000	869,730	-	869,730
Water improvements	230,000	1,258,303	-	1,258,303
Administration	675,590	675,590	655,111	20,479
Total expenditures	5,505,590	13,155,456	3,933,936	9,221,520
Deficiency of revenues under expenditures	349,310	(5,758,556)	317,322	6,075,878
Other financing sources (uses):				
Bonds issued	750,000	4,663,480	570,000	(4,093,480)
Discount on bonds issued	-	-	(27,438)	(27,438)
Transfers out:				
General Obligation Limited Tax Bonds Fund	(183,700)	(183,700)	(181,609)	2,091
Michigan Transportation Fund - Major	(625,180)	(735,680)	(733,813)	1,867
Michigan Transportation Fund - Local	(454,900)	(454,900)	(454,065)	835
Total other financing sources (uses)	(513,780)	3,289,200	(826,925)	(4,116,125)
Net change in fund balance	(164,470)	(2,469,356)	(509,603)	1,959,753
FUND BALANCE, beginning of year	3,043,936	3,043,936	3,043,936	-
FUND BALANCE, end of year	\$ 2,879,466	\$ 574,580	\$ 2,534,333	\$ 1,959,753

Statistical Section (Unaudited)

Table 1

CITY OF WYOMING, MICHIGAN
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
GENERAL FUND
LAST TEN FISCAL YEARS

Year Ended 30,	General Government	Court	Police	Fire	Inspections	Public Works	Street Lighting	All Other General	Total
1995	\$2,753,189	\$ 861,843	\$ 6,810,086	\$2,354,594	\$433,723	\$ 31,742	\$ 543,442	\$ 746,523	\$14,535,142
1996	3,153,574	928,328	7,797,591	2,538,627	518,767	144,477	571,586	820,977	16,473,927
1997	3,809,970	1,094,295	8,721,640	-	644,074	8,709	629,850	812,912	15,721,450
1998	4,069,234	1,050,155	10,175,940	3,275,603	722,734	46,952	683,460	545,626	20,569,704
1999	4,085,071	1,110,777	10,617,857	3,446,227	756,402	264,542	687,194	718,333	21,686,403
2000	4,673,312	1,233,434	11,789,503	3,764,760	868,135	132,750	785,822	1,101,910	24,349,626
2001	4,907,472	1,328,259	12,612,101	4,393,669	-	330,981	827,246	864,677	25,264,405
2002	4,968,599	1,449,189	12,846,530	4,388,545	-	310,845	713,249	1,088,314	25,765,271
2003	5,303,147	1,542,502	13,585,342	4,855,044	-	56,467	809,405	1,103,765	27,255,672
2004	6,318,100	1,767,718	13,897,181	4,943,323	-	46,582	737,855	707,712	28,418,471
Percent to Total Expenditures									
1995	19.0	5.9	46.9	16.2	3.0	0.2	3.7	5.1	
1996	19.1	5.6	47.3	15.4	3.2	0.9	3.5	5.0	
1997	24.2	7.0	55.5	-	4.1	-	4.0	5.2	
1998	19.8	5.1	49.5	15.9	3.5	0.2	3.3	2.7	
1999	18.8	5.1	49.0	15.9	3.5	1.2	3.2	3.3	
2000	19.2	5.1	48.4	15.5	3.6	0.5	3.2	4.5	
2001	19.4	5.3	49.9	17.4	-	1.3	3.3	3.4	
2002	19.3	5.6	49.9	17.0	-	1.2	2.8	4.2	
2003	19.5	5.7	49.8	17.8	-	0.2	3.0	4.0	
2004	22.2	6.2	48.9	17.4	-	0.2	2.6	2.5	

Table 2

CITY OF WYOMING, MICHIGAN
GENERAL GOVERNMENTAL REVENUES AND TRANSFERS BY SOURCE
GENERAL FUND
LAST TEN FISCAL YEARS

Year Ended June 30,	Property Taxes	Licenses and Permits	Intergovernmental			Fees and Service Charges	Interfund	Municipal Court Fines and Costs	Investment Earnings	All Other	Transfer (to) from Other Funds	Total
			Federal	State	Other							
1995	\$6,648,589	\$ 908,618	\$ 46,998	\$ 5,323,869	\$ 118,533	\$268,257	\$1,342,980	\$1,296,066	\$351,313	\$311,448	\$ -	\$16,616,671
1996	6,897,309	1,006,588	26,904	5,424,685	229,508	133,235	1,499,341	1,397,528	387,588	178,888	(471,596)	16,709,978
1997	7,270,004	1,116,409	-	6,227,057	236,212	148,097	1,438,678	1,520,904	447,371	132,564	(2,249,316)	16,287,980
1998	7,602,833	1,165,872	312,941	6,517,006	150,980	127,663	1,302,480	1,603,615	591,516	102,548	1,784,528	21,261,982
1999	7,994,487	1,375,388	29,199	6,973,513	157,512	138,100	1,474,200	1,765,123	584,897	133,553	1,972,326	22,598,298
2000	8,328,166	1,512,592	35,531	7,130,435	164,596	126,179	1,479,840	1,855,213	563,816	112,349	1,278,750	22,587,467
2001	8,639,120	601,918	259,498	7,922,217	199,061	104,714	1,692,120	1,732,983	706,548	141,243	3,281,946	25,281,368
2002	9,208,358	661,936	433,219	7,793,289	198,267	104,584	2,078,520	2,014,674	539,573	378,157	3,431,389	26,841,966
2003	9,717,497	659,091	365,944	7,155,005	202,595	127,523	2,140,200	2,093,485	396,910	212,793	3,484,553	26,555,596
2004	9,983,106	636,360	290,415	6,784,279	171,317	134,402	2,683,320	1,996,898	285,578	250,786	3,949,738	27,166,199

Percent to Total Revenues

1995	40.0	5.5	0.3	32.0	0.7	1.6	8.1	7.8	2.1	1.9	-	
1996	41.3	6.0	0.2	32.5	1.4	0.8	9.0	8.4	2.3	1.1	(3.0)	
1997	44.6	6.9	-	38.2	1.6	0.9	8.8	9.3	2.7	0.8	(13.8)	
1998	35.7	5.5	1.5	30.7	0.7	0.6	6.1	7.5	2.8	0.5	8.4	
1999	35.4	6.1	0.1	30.9	0.7	0.6	6.5	7.8	2.6	0.6	8.7	
2000	36.9	6.7	0.2	31.5	0.7	0.6	6.6	8.2	2.5	0.5	5.6	
2001	34.2	2.4	1.0	31.2	0.8	0.4	6.7	6.9	2.8	0.6	13.0	
2002	34.3	2.5	1.6	29.0	0.7	0.4	7.7	7.5	2.0	1.4	12.9	
2003	36.6	2.5	1.4	26.9	0.8	0.5	8.1	7.9	1.5	0.8	13.0	
2004	36.7	2.3	1.1	25.0	0.6	0.5	9.9	7.4	1.1	0.9	14.5	

Table 3

CITY OF WYOMING, MICHIGAN
PROPERTY TAXES, LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Year ended June 30,	Total Tax Levy	Collections to March 1,		Collections to June 30,	
1995	\$10,265,089	\$ 9,458,277	92.14%	\$ 9,799,622	95.47%
1996	12,451,192	11,562,516	92.86%	11,915,469	95.70%
1997	14,226,337	13,729,296	96.51%	14,153,558	99.49%
1998	16,570,736	16,527,344	99.74%	16,561,230	99.94%
1999	17,442,530	16,887,742	96.82%	17,230,540	98.78%
2000	17,593,147	16,976,507	96.50%	17,377,334	98.77%
2001	18,880,728	18,796,959	99.56%	18,806,319	99.61%
2002	20,695,779	18,317,264	88.51%	18,874,699	91.20%
2003	21,578,687	20,816,636	96.47%	21,472,548	99.51%
2004	22,069,829	21,507,617	97.45%	22,010,367	99.73%

CITY OF WYOMING, MICHIGAN
TAXABLE VALUES - TAX RATES - TAX LEVIES
 Last Ten Fiscal Years

	Taxable Value			Tax Rate (per \$1,000 of State Equalized Valuation)			
	Real Property	Personal Property	Total	Operating	Police	Fire	Sidewalk Snow Removal
1995	\$1,056,397,000	\$200,848,300	\$1,257,245,300	(1)	4.6695		0.1000
	17,056,600	39,797,650	56,854,250	(2)	4.6695		0.1000
	<u>1,073,453,600</u>	<u>240,645,950</u>	<u>1,314,099,550</u>				
1996	1,079,123,200	212,264,500	1,291,387,700	(1)	4.6695		0.1000
	16,948,050	38,132,100	55,080,150	(2)	4.6695		0.1000
	<u>1,096,071,250</u>	<u>250,396,600</u>	<u>1,346,467,850</u>				
1997	1,133,340,760	232,303,200	1,365,643,960	(1)	4.6695	0.7500	0.1000
	18,517,000	38,857,000	57,374,000	(2)	4.6695	0.7500	0.1000
	<u>1,151,857,760</u>	<u>271,160,200</u>	<u>1,423,017,960</u>				
1998	1,185,060,023	240,477,000	1,425,537,023	(1)	4.6695	1.2500	0.1000
	15,615,750	42,709,600	58,325,350	(2)	4.6695	1.2500	0.1000
	<u>1,200,675,773</u>	<u>283,186,600</u>	<u>1,483,862,373</u>				
1999	1,251,360,103	253,970,200	1,505,330,303	(1)	4.6695	1.2500	0.1000
	14,576,100	42,022,650	56,598,750	(2)	4.6695	1.2500	0.1000
	<u>1,265,936,203</u>	<u>295,992,850</u>	<u>1,561,929,053</u>				
2000	1,294,205,275	269,315,466	1,563,520,741	(1)	4.6695	1.2500	0.1868
	16,658,197	37,073,200	53,731,397	(2)	4.6695	1.2500	0.1868
	<u>1,310,863,472</u>	<u>306,388,666</u>	<u>1,617,252,138</u>				
2001	1,366,198,985	254,707,500	1,620,906,485	(1)	4.6695	1.2500	0.1868
	18,627,687	47,133,650	65,761,337	(2)	4.6695	1.2500	0.1868
	<u>1,384,826,672</u>	<u>301,841,150</u>	<u>1,686,667,822</u>				
2002	1,444,008,693	266,561,400	1,710,570,093	(1)	4.6695	1.2500	0.1868
	44,240,400	110,665,700	154,906,100	(2)	4.6695	1.2500	0.1868
	<u>1,488,249,093</u>	<u>377,227,100</u>	<u>1,865,476,193</u>				
2003	1,534,819,143	283,845,000	1,818,664,143	(1)	4.6695	1.2500	0.1600
	39,718,280	107,373,000	147,091,280	(2)	4.6695	1.2500	0.1600
	<u>1,574,537,423</u>	<u>391,218,000</u>	<u>1,965,755,423</u>				
2004	1,614,794,898	288,903,819	1,903,698,717	(1)	4.6695	1.2500	0.1600
	30,611,131	94,670,600	125,281,731	(2)	4.6695	1.2500	0.1600
	<u>1,645,406,029</u>	<u>383,574,419</u>	<u>2,028,980,448</u>				

(1) From 1995, the credit on taxable value on properties within the State of Michigan is limited to the rate of inflation or 5%, creating a variance between assessed and taxable value.

(2) IFT new facilities are valued at 50% while rehab-facilities are frozen in value for the term of the exemption.

Table 4

Tax Rate (per \$1,000 of State Equalized Valuation)						Total Tax Levy
Sewer and Water Improvement	Library	Parks and Recreation	Debt Service	Public Transportation	Total Tax Rate	
1.8678	0.3642		0.5600	0.2500	7.8115	\$ 9,820,972
1.8678	0.3642		0.5600	0.2500	7.8115	444,117
						<u>10,265,089</u>
1.8678	0.3000	1.5000	0.5600	0.2500	9.2473	11,941,849
1.8678	0.3000	1.5000	0.5600	0.2500	9.2473	509,343
						<u>12,451,192</u>
1.8678	0.3000	1.5000	0.5600	0.2500	9.9973	13,652,752
1.8678	0.3000	1.5000	0.5600	0.2500	9.9973	573,585
						<u>14,226,337</u>
1.8678	0.3000	1.5000	0.4800	0.2500	11.1673	15,919,400
1.8678	0.3000	1.5000	0.4800	0.2500	11.1673	651,337
						<u>16,570,736</u>
1.8678	0.3000	1.5000	0.4800	0.2500	11.1673	16,810,475
1.8678	0.3000	1.5000	0.4800	0.2500	11.1673	632,055
						<u>17,442,530</u>
1.8678	0.3000	1.5000	0.3500		10.8741	17,001,881
1.8678	0.3000	1.5000	0.4800		11.0041	591,266
						<u>17,593,147</u>
1.8678	0.3000	1.5000	0.6700		11.1941	18,144,589
1.8678	0.3000	1.5000	0.6700		11.1941	736,139
						<u>18,880,728</u>
1.8678	0.2000	1.5000	0.6700		11.0941	18,977,236
1.8678	0.2000	1.5000	0.6700		11.0941	1,718,544
				Yard Waste Disp.		<u>20,695,779</u>
1.8678	0.1500	1.5000	0.4600	0.1700	10.9773	19,964,022
1.8678	0.1500	1.5000	0.4600	0.1700	10.9773	1,614,665
						<u>21,578,687</u>
1.8678	0.1000	1.5000	0.4100	0.1700	10.8773	20,707,102
1.8678	0.1000	1.5000	0.4100	0.1700	10.8773	1,362,727
						<u>22,069,829</u>

CITY OF WYOMING, MICHIGAN
PROPERTY TAX RATES
 (Per \$1,000 of State Equalized Valuation)
 DIRECT AND OVERLAPPING GOVERNMENTS
 Last Ten Fiscal Years

Year Ended June 30,	City of Wyoming	Kent County	Library	School Districts				
				Grand Rapids Community College	Kent Intermediate	Godfrey-Lee	Godwin Heights	Grandville
Homestead Rates								
1995	7.8115	5.2252	-	1.8285	3.8162	8.9000	1.00	6.6800
1996	9.2473	5.2252	-	1.8285	3.8803	8.9000	1.00	7.1700
1997	9.9973	5.1014	-	1.8285	3.8803	8.9000	1.00	7.1700
1998	11.1673	5.1111	-	1.8285	3.8803	12.4300	1.00	7.1700
1999	11.1673	5.3664	0.6800	1.8276	3.8784	12.4300	1.00	7.1700
2000	11.1241	5.3551	0.6431	1.8201	3.8625	12.4300	1.00	7.1700
2001	11.1941	5.3340	0.8400	1.8109	3.8430	12.4140	3.15	6.7383
2002	11.0941	5.3230	0.8787	1.8049	3.8299	12.4132	1.60	6.2317
2003	10.9773	5.3140	0.8769	1.8000	3.8192	12.1941	1.60	6.2317
2004	10.8773	5.3140	0.8710	1.7865	3.7903	11.9697	1.50	6.1130
Non-Homestead Rates								
1996	9.2473	5.2252	-	1.8285	3.8803	26.9000	19.00	25.1700
1997	9.9973	5.1014	-	1.8285	3.8803	26.9000	19.00	25.1700
1998	11.1673	5.1111	-	1.8285	3.8803	30.4300	19.00	25.1700
1999	11.1673	5.3664	0.6800	1.8276	3.8784	30.4300	19.00	25.1700
2000	11.1241	5.3551	0.6431	1.8201	3.8625	30.4300	19.00	25.1700
2001	11.1941	5.3340	0.8400	1.8109	3.8430	30.4140	21.15	24.7383
2002	11.0941	5.3230	0.8787	1.8049	3.8299	30.4132	10.60	24.2317
2002	11.0941	5.3230	0.8787	1.8049	3.8299	30.4132	10.60	24.2317
2003	10.9773	5.3140	0.8769	1.8000	3.8192	29.8251	10.60	24.2317
2004	10.8773	5.3140	0.8710	1.7865	3.7903	29.9697	10.50	23.9600

(1) Total includes the Wyoming School District rate.

Table 5

School Districts					
Kelloggsville	Bryon Center	Kentwood	Wyoming	State Education	Total (1)
Homestead Rates					
3.9974	-	5.0900	1.4500	6.0000	26.1314
6.9800	8.0000	4.2900	4.1800	6.0000	30.3613
6.9940	8.0000	5.1014	4.2800	6.0000	31.0875
3.6000	8.0000	5.4000	1.5500	6.0000	29.5372
5.5000	7.8982	5.3980	5.2200	6.0000	34.1397
5.7600	4.9982	5.3979	5.2200	6.0000	34.0249
5.7600	7.9982	5.3951	5.0000	6.0000	34.0220
2.8500	3.9981	2.6976	4.9000	6.0000	33.8306
2.7500	3.9965	2.6961	4.7000	6.0000	33.4874
2.7500	3.9917	2.6961	4.7000	6.0000	33.3391
Non-Homestead Rates					
24.9800	26.0000	22.2900	22.1800	6.0000	48.3613
24.9940	26.0000	23.8900	22.2800	6.0000	49.0875
21.5580	26.0000	23.4000	19.5500	6.0000	47.5372
23.4580	25.9982	23.3980	23.2200	6.0000	52.1397
23.4580	25.9982	23.3980	23.2200	6.0000	52.0249
23.7600	25.9982	23.3951	23.0000	6.0000	52.0220
11.8500	12.9981	11.6976	22.9000	6.0000	51.8306
11.8500	12.9981	11.6976	22.9000	6.0000	51.8306
11.7500	12.9965	11.6961	22.7000	6.0000	51.4874
11.3522	12.9917	11.6961	22.7000	6.0000	51.3391

Table 6

CITY OF WYOMING, MICHIGAN
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years
 (dollar figures in thousands)

Fiscal Year	Real Property		(1)	Personal Property		Commercial and Industrial Facilities Exemptions Real and Personal		Total		Ratio of Total Assessed to Total Estimated Actual Value	Percent Increase in Estimated Actual Over Prior Year
	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
1995	\$1,056,397	\$2,112,794	\$200,848	\$401,697	\$56,854	\$113,709	\$1,314,100	\$2,628,199	50%	-1.24%	
1996	1,079,123	2,158,246	(1)	212,265	424,529	55,080	110,160	1,346,468	2,692,935	50%	2.46%
1997	1,147,000	2,294,000	(1)	232,303	464,606	57,374	114,748	1,436,677	2,873,354	50%	6.70%
1998	1,207,000	2,414,000	(1)	240,477	480,954	58,325	116,651	1,505,802	3,011,605	50%	4.81%
1999	1,313,000	2,626,000	(1)	253,970	507,940	56,599	113,198	1,623,569	3,247,138	50%	7.82%
2000	1,395,000	2,790,000	(1)	269,315	538,631	53,731	107,463	1,718,047	3,436,094	50%	5.82%
2001	1,475,353	2,950,705	(1)	254,695	509,390	65,959	131,917	1,796,006	3,592,013	50%	4.54%
2002	1,577,031	3,154,061	(1)	266,561	533,123	82,389	164,778	1,925,981	3,851,962	50%	7.24%
2003	1,737,450	3,474,901	(1)	283,358	566,715	93,964	187,928	2,114,772	4,229,543	50%	9.80%
2004	1,877,373	3,754,746	(1)	290,118	580,237	78,115	156,231	2,245,607	4,491,214	50%	6.19%

- (1) From 1995, the credit on taxable value on properties within the State of Michigan is limited to the rate of inflation or 5%, creating a variance between assessed and taxable value.

Table 7

CITY OF WYOMING, MICHIGAN
SPECIAL ASSESSMENTS - BILLINGS AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>Year Ended June 30,</u>	<u>Billings</u>	<u>Amount of Collections</u>
1995	\$ 190,021	\$ 454,176
1996	274,606	702,067
1997	254,941	936,609
1998	255,482	1,028,190
1999	327,165	1,247,576
2000	300,869	914,756
2001	243,085	530,665
2002	226,485	688,843
2003	242,666	788,064
2004	237,142	802,074

Table 8

CITY OF WYOMING, MICHIGAN
**RATIO OF NET GENERAL BONDED AND CONTRACT DEBT
 TO STATE TAXABLE VALUE AND NET BONDED
 DEBT PER CAPITA**
 Last Ten Fiscal Years

Year Ended June 30,	Population	State Taxable Value (1)	Gross Debt	Less Debt Service Funds	Net Debt	Ratio of Net Debt to State Taxable Value	Net Debt Per Capita
1995	65,538	\$ 1,314,099,550	\$ 5,460,000	\$ 747,261	\$ 4,712,739	0.36%	72
1996	65,868	1,346,467,850	4,810,000	718,605	4,091,395	0.30%	62
1997	66,198	1,423,017,960	10,818,556	782,849	10,035,707	0.71%	152
1998	66,528	1,483,862,373	30,446,706	687,381	29,759,325	2.01%	447
1999	66,858	1,561,929,053	30,595,741	652,850	29,942,891	1.92%	448
2000	66,858	1,617,252,138	41,204,593	469,892	40,734,701	2.52%	609
2001	69,368	1,686,667,822	38,742,529	364,339	38,378,190	2.28%	553
2002	71,400	1,865,476,193	36,865,171	312,159	36,553,012	1.96%	512
2003	71,996	1,965,755,423	36,831,888	302,958	36,528,930	1.86%	507
2004	73,500	2,028,980,448	34,713,067	197,906	34,515,161	1.76%	470

(1) Final State equalized and taxable value including industrial facilities tax.

CITY OF WYOMING, MICHIGAN
COMPUTATION OF LEGAL DEBT MARGIN
FOR GENERAL OBLIGATION BONDS
June 30, 2004

State equalized assessed value - December 31, 2004			<u>\$ 2,245,606,787</u>
Debt limit - ten percent of state equalized assessed value			\$ 224,560,679
Amount of debt applicable to debt limit:			
Total bonded debt		\$ 72,250,008	
Less:			
Assets available for Debt Service	\$ 197,906		
Bonded debt not subject to limitation			
Revenue Bonds	<u>26,955,000</u>	<u>27,152,906</u>	
Total amount of debt applicable to debt limit			<u>45,097,102</u>
Legal debt margin			<u>\$ 179,463,577</u>

CITY OF WYOMING, MICHIGAN
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 June 30, 2004

Name of Governmental Unit	Net Debt Outstanding	Percentage Applicable To City	City of Wyoming's Share Of Debt
City of Wyoming			
General obligation	\$ 34,713,067		
General obligation water and sewer	926,941		
Revenue	26,955,000		
Kent County DPW	<u>9,655,000</u>		
Total city direct debt	<u>72,250,008</u>	100.00%	<u>\$ 72,250,008</u>
 Kent County	78,470,000	11.11%	8,718,017
Grand Rapids Community College	60,195,000	10.83%	6,519,119
Schools Districts:			
Wyoming	46,885,000	98.82%	46,331,757
Godwin Heights	13,310,000	88.92%	11,835,252
Kelloggsville	19,225,000	63.36%	12,180,960
Grandville	47,890,000	23.76%	11,378,664
Byron Center	86,041,146	0.20%	172,082
Kentwood	115,060,000	0.45%	494,758
Godfrey Lee	<u>15,449,882</u>	100.00%	<u>15,449,882</u>
Total overlapping debt	<u>\$ 482,526,028</u>		<u>113,080,491</u>
Total city direct and overlapping debt			<u>\$ 185,330,499</u>

Table 11

CITY OF WYOMING, MICHIGAN
**RATIO OF ANNUAL DEBT SERVICE FOR GENERAL
 DEBT TO TOTAL GENERAL EXPENDITURES**
LAST TEN FISCAL YEARS

Fiscal Year	Debt Service			General Fund Expenditures Total	Ratio
	Principal	Interest and Fees	Total		
1994	\$ 600,000	\$ 229,741	\$ 829,741	\$ 15,976,093	5.19
1995	630,000	206,785	836,785	15,742,614	5.32
1996	650,000	182,296	832,296	16,120,798	5.16
1997	725,250	317,251	1,042,501	15,397,275	6.77
1998	1,171,091	716,262	1,887,353	20,569,704	9.18
1999	1,796,476	1,266,811	3,063,287	21,686,403	14.13
2000	1,981,046	1,379,576	3,360,622	24,349,626	13.80
2001	2,336,970	2,080,630	4,417,600	25,264,405	17.49
2002	2,677,358	1,912,986	4,590,344	25,765,271	17.82
2003	2,443,283	1,848,377	4,291,660	27,255,672	15.75
2004	2,688,821	1,801,665	4,490,486	28,418,471	15.80

CITY OF WYOMING, MICHIGAN
SEWER REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year End	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest and Fees	Total	
1995	\$ 5,900,179	\$ 5,772,820	\$ 127,359	-	-	-	-
1996	7,921,686	5,637,961	2,283,725	-	-	-	-
1997	6,833,000	6,784,989	48,011	-	40,497	40,497	1.19
1998	4,635,867	5,968,431	(1,332,564)	110,000	205,345	315,345	(4.23)
1999	7,559,809	5,775,024	1,784,785	210,000	419,252	629,252	2.84
2000	8,052,780	6,535,394	1,517,386	225,000	456,250	681,250	2.23
2001	8,493,948	6,631,349	1,862,599	245,000	447,091	692,091	2.69
2002	9,407,030	6,853,182	2,553,848	380,000	435,685	815,685	3.13
2003	9,111,856	7,046,561	2,065,295	395,000	502,907	897,907	2.30
2004	10,750,891	7,833,343	2,917,548	515,000	569,169	1,084,169	2.69

(1) Total revenues (including interest)

(2) Total operating expenses exclusive of depreciation

(3) Includes principal and interest of revenue bonds only. It does not include the general obligation bond reported in the debt service fund.

Table 13

CITY OF WYOMING, MICHIGAN
WATER REVENUE BOND COVERAGE
 LAST TEN FISCAL YEARS

Fiscal Year End	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Coverage
				Principal	Interest and Fees	Total	
1995	\$ 8,544,622	\$ 6,055,242	\$ 2,489,380	\$ 225,000	\$ 24,683	\$ 249,683	9.97
1996	9,067,356	5,982,920	3,084,436	225,000	15,896	240,896	12.80
1997	11,715,332	6,600,598	5,114,734	225,000	46,860	271,860	18.81
1998	10,674,187	6,266,083	4,408,104	240,000	101,181	341,181	12.92
1999	12,266,253	6,635,721	5,630,532	285,000	160,817	445,817	12.63
2000	13,099,171	7,157,721	5,941,450	310,000	177,406	487,406	12.19
2001	15,780,232	7,776,073	8,004,159	365,000	178,082	543,082	14.74
2002	15,548,014	7,936,491	7,611,523	140,000	357,463	497,463	15.30
2003	16,067,372	8,569,717	7,497,655	310,000	622,788	932,788	8.04
2004	15,013,729	8,272,486	6,741,243	410,000	705,371	1,115,371	6.04

(1) Total revenues (including interest)

(2) Total operating expenses exclusive of depreciation

(3) Includes principal and interest of revenue bonds only. It does not include the general obligation bond reported in the debt service fund.

CITY OF WYOMING, MICHIGAN
SCHEDULE OF INSURANCE IN FORCE
 June 30, 2004

<u>Type of Coverage</u>	<u>Details of Coverage</u>	<u>Limits</u>
Michigan Municipal Risk Management		
Policy Period		
November 16, 2001 to November 15, 2004		
Policy Number - 00138		
Forgery Policy	Forgery	\$ 1,000,000
Public Employees' Blanket Bond	City	1,000,000
Honesty blanket - Employees	District Court 62A	1,000,000
Faithful performance	Police officers	1,000,000
Public Official Bond -	City Treasurer	1,000,000
Faithful performance	City Clerk	1,000,000
	District Court - Magistrate	1,000,000
National Union Fire Insurance Company		
Policy Period		
January 1, 2004 to January 1, 2005		
Policy Number - 2123-4984C03		
Accident - Volunteer Firefighters	Principal sum	\$ 25,000
Employee injury	Weekly	100

CITY OF WYOMING, MICHIGAN
SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS
 June 30, 2004

	<u>Annual Salary</u>	<u>Amount of Surety Bond</u>
Mayor	\$ 11,556	\$ 1,000,000
Mayor Pro Tem	9,060	-
Councilpersons (5 each)	8,028	-
City Manager	107,350	-
City Clerk	64,200	1,000,000
Director of Public Works	92,934	-
Director of Utilities	92,934	-
Director of Planning and Community Development	86,694	-
City Treasurer	75,816	1,000,000
Director of Finance - Comptroller	82,146	-
Fire Chief	86,694	-
District Court Judges (2)	45,724	-
District Court Magistrate (part-time)	26,611	1,000,000
Police Chief	92,934	1,000,000
All Police Officers	51,106	1,000,000

Table 16

CITY OF WYOMING, MICHIGAN

PRINCIPAL TAXPAYERS

June 30, 2004

No.	Name	Type of Business	Taxable Value	Percent of City Total
1	General Motors Corp.	Automotive	\$ 120,176,114	2.68%
2	Consumers Energy	Electric Utility	56,471,167	1.26%
3	Gordon Food Service	Food Wholesaler	49,821,296	1.11%
4	Delphi Automotive	Automotive	40,800,100	0.91%
5	Bentler Industries	Automotive	40,672,700	0.91%
6	Aimco Ramblewood	Apartments	32,777,495	0.73%
7	United Parcel Service	Shipping	27,812,832	0.62%
8	Steelcase, Inc.	Furniture	24,477,400	0.55%
9	Holland American Wafer	Bakery	20,630,871	0.46%
10	Michigan Consolidated Gas	Natural Gas Utility	16,542,176	0.37%
11	Home Depot	Hardware/Lumber	8,925,041	0.20%
12	Waterchase Assoc. LLC	Apartments	8,252,675	0.18%
13	Country Fresh, Inc.	Dairy Products	7,877,210	0.18%
14	Goodwill Co. Inc.	Retail	7,519,652	0.17%
15	Leon Plastics	Plastics	7,510,339	0.17%
16	Wilsontown LLC	Retail	6,018,039	0.13%
17	Wells Fargo Bank	Equipment Leasing	5,918,678	0.13%
18	L & L Jiroch Dist.	Distribution	5,677,055	0.13%
19	General Mills	Food Processing	5,256,400	0.12%
20	Wyoming Retirement Residence	Retirement Residence	5,014,704	0.11%
			<u>\$ 498,151,944</u>	<u>11.09%</u>

The above values, represent 11.09% of the total 2003 Assessment Roll
of the City of Wyoming as of March 31, 2003 totaling **\$4,491,213,574**

The individual values are for real and personal property owned by the designated taxpayer, including Industrial
Facilities and Commercial Development Taxable Value Amounts.

Table 17

CITY OF WYOMING, MICHIGAN
PROPERTY VALUE AND CONSTRUCTION
 LAST TEN FISCAL YEARS

Fiscal Year	Industrial and Commercial Construction (1)		Residential Construction (1)		True Cash Value (including IFT) (2)	
	Number of Permits	Value	Number of Units	Value	Industrial and Commercial	Residential
1995	128	\$ 27,695,591	555	\$ 20,764,749	\$ 962,660,200	\$ 1,257,650,800
1996	137	24,129,328	550	27,031,281	1,015,286,400	1,341,453,700
1997	135	29,547,402	625	30,900,371	1,065,740,800	1,412,577,400
1998	129	35,720,995	579	24,719,309	1,132,818,900	1,555,552,400
1999	127	37,194,467	696	51,744,406	1,176,925,600	1,680,437,000
2000	177	63,000,132	642	30,519,262	1,231,854,200	1,789,689,000
2001	116	39,109,441	739	31,757,597	1,312,531,800	1,930,966,800
2002	109	30,587,936	666	27,862,032	1,459,675,200	2,095,780,000
2003	114	32,504,285	651	30,636,552	1,510,410,284	2,230,502,400
2004	126	61,091,830	662	36,407,141	1,493,646,000	2,270,016,700

Data Sources:

- (1) Building Inspections Department - actual permits issued
- (2) Assessor's Office

Table 18

CITY OF WYOMING, MICHIGAN
DEMOGRAPHIC STATISTICS
 Last Ten Fiscal Years

Fiscal Year	(1)						(2)	(3)
	Population	Per Capita Income	Median Age	Education Level			School Enrollment	Unemployment Rate
1995	65,538 *	\$ 15,925 *	30 *	12.4 *			12,340	4.5%
1996	65,868 *	16,325 *	30 *	12.4 *			13,038	4.4%
1997	66,198 *	16,725 *	30 *	12.4 *			13,454	3.6%
1998	66,528 *	17,125 *	32 *	12.4 *			12,967	3.0%
1999	66,858 *	17,600 *	32 *	12.4 *			12,960	3.1%
2000	66,858 *	17,600 *	32 *	12.4 *			12,960	3.1%
2001	69,368	17,600 *	31.2 *	12.4 *			12,762	5.0%
2002	71,400 *	19,287 *	31.2 *	12.4 *			13,053	5.8%
2003	71,996 *	19,300 *	31.2 *	12.4 *			13,992	8.0%
2004	73,500 *	29,770 *	32.5 *	12.4 *			14,465	6.6%











* Estimated

Data Sources:

- (1) Grand Valley State University C.A.C.I.
- (2) Public and private schools within the City of Wyoming
- (3) www.michlmi.org

Table 19

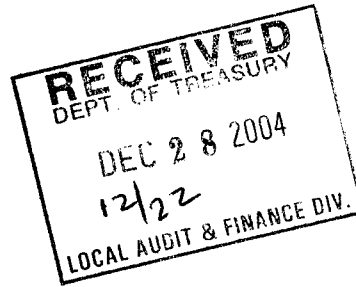
CITY OF WYOMING, MICHIGAN
Miscellaneous Statistical Data
 June 30, 2004

Government		Date of incorporation January 1, 1959 Form of government Council-Manager	Area 24.5 square miles Number of employees 448
Streets		Paved Streets 228.26 miles Unpaved Streets .25 miles	Sidewalks 322 miles Number of streetlights 4,723
Fire		Employees Full-time 37 Reserve 39 Civilian 1	Stations 4 Vehicles 19
Police		Employees Patrol Officers 98 Dispatchers 11 Administrative 3 Civilians 25	Vehicles Patrol 31 Other 20
Parks and Recreation		Parks 685 Acres Bike Trails 68 miles	Number of Parks 23
Schools		Public 32 schools Charter 1 school Parochial 8 schools	Students 11,524 633 2,308
Water Utility		Retail customers 22,152 Average daily use 33.16 million gallons	Daily plant capacity 90.0 million gallons
Elections		Registered voters 43,653 Votes cast in last general election 19,382 Votes cast in last municipal election 6,915	Percentage of registered voters voting in: Last general election 44.69% Last municipal election 15.99%
Properties		Residential 20,773 Exempt 569 Industrial 704 IFT 188	Commercial 1,229 Personal 1,988 Total Parcels 25,643
Census		1970 56,560 1980 59,616	1990 63,891 2000 69,368



BDO Seidman, LLP
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Fax: (616) 776-3680



October 14, 2004

Honorable Mayor and Members of the City Council
City of Wyoming
Wyoming, Michigan

Dear Members:

We have audited the basic financial statements of the City of Wyoming as of and for the year ended June 30, 2004, and have issued our report thereon dated October 14, 2004. In planning and performing our audit, we considered the City's internal controls in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on internal controls. We have not considered internal controls since the date of our report.

During our audit, we noted certain matters involving operations and procedures that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal controls or result in other operating efficiencies.

This memorandum is intended solely for the information and the use of the City Council, management and others within the City and should not be used for any other purpose.

Very truly yours,

BDO Seidman, LLP

City of Wyoming

Memorandum of Recommendations Year Ended June 30, 2004

City of Wyoming

Memorandum of Recommendations

Development of Formal Disaster Recovery Plan

The City does not have a written disaster recovery plan, and there are no formal arrangements for the use of another computer system in the event of a fire or other disaster. As a result, in the event of a disaster affecting the computer systems, the City may be subject to an extended delay before substitute processing capabilities become available. This could result in significant losses to the City. The most effective approach to ensure a rapid recovery from a catastrophe is to have a written and tested recovery plan.

Recommendation

We recommend management develop a disaster recovery plan that addresses the following:

- 1) Identification of critical applications
- 2) Step-by-step instructions that define the responsibilities of each functional area
- 3) Locations where computer operations can be re-established and continued
- 4) Network back-up (if necessary)
- 5) Specific security controls that will be needed during the recovery process
- 6) Alternative manual procedures required to maintain the records and continue operations
- 7) Impact of disruptions on customers and alternative systems for continued contact

As part of the recovery plan, we recommend the City investigate and negotiate a back-up agreement. Many organizations with compatible equipment are willing to enter into reciprocal back-up agreements to ensure continuity of operations in the event of a disaster. If such equipment is available, it will be important to formalize an agreement and perform a test to ensure that the equipment functions properly with your software and files.

City of Wyoming

Memorandum of Recommendations

New Pronouncements

There are several new pronouncements that have been issued by the Governmental Accounting Standards Board (GASB) that may affect future comprehensive annual financial reports issued by the City. A brief summary of these new pronouncements is listed below:

GASB Statement No. 40, *Deposit and Investment Risk Disclosures* amends Statement No. 3. This pronouncement eliminates category 1 and 2 deposits and requires disclosure of custodial risk for category 3 deposits and investments. This will affect the footnote disclosures and is effective for the City for the year ending June 30, 2005.

GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* deals with determining whether capital assets have been impaired and the proper reporting and disclosure of these assets. The standard also provides new financial statement presentation and disclosures relating to insurance recoveries. This pronouncement is effective for the City for the year ending June 30, 2005.

GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* applies to plans that are included as trust funds in the financial statements of the City. This pronouncement supersedes GASB Statement No. 26, *Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans*, and will be effective for the City for the year ending June 30, 2007. The standard will require presentation of financial statements and schedules similar to those presented for the City's pension plan, as well as require an actuarial valuation of the healthcare plan.

GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section – an Amendment of NCGA Statement 1* clarifies and updates prior requirements as they apply to the statistical sections of the comprehensive annual financial report. This standard also adds new information from the new financial reporting model. This pronouncement is effective for the City for the year ending June 30, 2006.

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* addresses how the City should account for and report costs and obligations related to postemployment healthcare and other nonpension benefits. Collectively these benefits are referred to as other postemployment benefits (OPEB). It will

City of Wyoming

Memorandum of Recommendations

require the City to account for OPEB essentially the same as pensions. This will require an actuarial valuation for the applicable OPEB plans. This pronouncement will be effective for the City for the year ending June 30, 2008.

Proposed Technical Bulletin, *Recognition of Pension and Other Postemployment Benefit Expenditures/Expense and Liabilities* clarifies the requirement of GASB Statement No. 27 and 45.

Recommendation

Review the new pronouncements to determine changes necessary to ensure that the City is in compliance with applicable financial statement and note disclosures.